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TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

Subchapter C—Loans, Purchases, and Other Operations

[1952 C. C. C. Grain Price Support Bulletin 1, Amdt. 2 to Sup. 1, Hay and Pasture Seed]

PART 601—GRAINS AND RELATED COMMODITIES

SUBPART—1952-CROP HAY AND PASTURE SEED LOAN AND PURCHASE AGREEMENT PROGRAM

MISCELLANEOUS AMENDMENTS

The regulations issued by Commodity Credit Corporation and the Production and Marketing Administration, published in 17 F. R. 5601, and containing the specific requirements for the 1952 Crop Hay and Pasture Grass Seed Price Support Program are hereby amended as follows:

1. Section 601.1975 *Availability of price support*, paragraph (a) *Method of support* is amended to provide that tall fescue seed will be supported by purchase agreement so that the paragraph reads as follows:

(a) *Method of support.* Price support will be available through farm-storage and warehouse-storage loans and purchase agreements on all seeds listed in § 601.1983, except tall fescue seed, the price of which will be supported by purchase agreements only.

2. Section 601.1983 *Schedule of basic specifications and rates* is amended by adding the following rates, specifications, and discounts for tall fescue seed to the Schedule of Basic Rates, Specifications and Discounts Applicable to 1952-Hay, Pasture and Range Grass Seeds:

SCHEDULE OF BASIC RATES, SPECIFICATIONS AND DISCOUNTS APPLICABLE TO 1952 HAY, PASTURE AND RANGE GRASS SEEDS

Kind of seed	Basic support price per pound net weight	Basic specifications				Discount for each percent or fraction thereof below basic support price requirements		Minimum eligibility requirements	
		Purity	Germination [1]	Maximum weed seed [2]	Maximum other crop seed	Purity	Germination [1]	Purity	Germination [1]
Hay and pasture	*Cents*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
Tall fescue [13]	20	98	85	0.50	4.50	1.50	1.50	95	80
Tall fescue, certified [6] [13]	27	[6] 98	85	.50	4.50	1.50	1.50	95	80

[1] [6] For these footnotes, see Schedule of Basic Rates, Specifications and Discounts in 1952 C. C. C. Grain Price Support Bulletin 1, Supplement 1, Hay and Pasture Seed.
[13] Alta and Kentucky 31 only.

3. Section 601.1984 *Delivery of seed to CCC*, paragraph (a) *Cleaning and Bagging* is amended by adding a subparagraph (4) which states the bagging requirements with respect to tall fescue seed when delivering to CCC and reads as follows:

(4) Tall fescue:

Type	Net capacity (pounds)
(i) Osnaburg which can be probed:	
36-inch 2.35 yard or heavier	50 or 100
40-inch 2.11 yard or heavier	50 or 100
(ii) Burlap or jute: 10-ounce or heavier	50 or 100

(Sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. Sup. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 301, 401, 63 Stat. 1051; 15 U. S. C. Sup. 714, 7 U. S. C. Sup. 1447, 1421)

Issued this 12th day of September 1952.

[SEAL] W. E. UNDERHILL,
Acting Vice President,
Commodity Credit Corporation.

Approved:

HAROLD K. HILL,
Acting President,
Commodity Credit Corporation.

[F. R. Doc. 52-10138; Filed, Sept. 16, 1952; 8:57 a. m.]

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TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

[Tokay Grape Order 2]

PART 951—TOKAY GRAPES GROWN IN SAN JOAQUIN AND SACRAMENTO COUNTIES IN CALIFORNIA

LIMITATION OF DAILY SHIPMENTS

§ 951.314 *Tokay Grape Order 2*—(a) *Findings.* (1) pursuant to the marketing agreement, as amended, and Order No. 51, as amended (7 CFR Part 951; 17 F. R. 7417), regulating the handling of Tokay grapes grown in San Joaquin and Sacramento Counties in the State of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the Industry Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of daily shipments of Tokay grapes, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication

thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) in that, as hereinafter set forth, the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective not later than September 17, 1952. A reasonable determination as to the supply of, and the demand for, Tokay grapes must await development of the crop and the information upon which the recommendations of the Industry Committee are based was not available to said Committee until September 12, 1952; recommendations as to the need for, and the extent of, regulation of the volume of daily shipments of such grapes were made at the meeting of said Committee on September 12, 1952, at which time the recommendations and supporting information were transmitted to the Department; shipments of the current crop of such grapes are already under way and are subject to regulation by grades and sizes pursuant to Tokay Grape Order 1 (§ 951.313; 17 F. R. 7774); in order to effectuate the declared policy of the act, the advisable quantity should be an amount not in excess of the equivalent of 132,600 standard packages; the daily volume of shipments of Tokay grapes currently exceeds such advisable quantity; and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time of this section.

(b) *Order.* (1) During the period beginning at 12:01 a. m., P. s. t., September 17, 1952, and ending at 12:01 a. m., P. s. t., October 11, 1952:

(i) The daily shipments of grapes shall be limited in accordance with the provisions of §§ 951.60 through 951.68 of said amended marketing agreement and said amended order; and

(ii) The total quantity of grapes advisable to be shipped each day shall be 132,600 standard packages or the equivalent quantity thereof.

(2) As used in this section, the terms "shipments," "shipped," "grapes," and "advisable" shall have the same meaning as when used in said amended marketing agreement and order; and the term "standard packages" shall have the meaning set forth therefor in § 951.103 of the Industry Committee regulations (7 CFR Part 951).

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 16th day of September 1952.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 52-10222; Filed, Sept. 16, 1952; 11:22 a. m.]

TITLE 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Bureau of Animal Industry, Department of Agriculture

Subchapter C—Interstate Transportation of Animals and Poultry

[B. A. I. Order 309, Amdt. 12]

PART 76—HOG CHOLERA, SWINE PLAGUE, AND OTHER COMMUNICABLE SWINE DISEASES

CHANGES IN AREAS QUARANTINED BECAUSE OF VESICULAR EXANTHEMA

Pursuant to the authority conferred by sections 1 and 3 of the act of March 3, 1905, as amended (21 U. S. C. 123 and 125), sections 1 and 2 of the act of February 2, 1903, as amended (21 U. S. C. 111 and 120), and section 7 of the act of May 29, 1884, as amended (21 U. S. C. 117), § 76.10 in Part 76 of Title 9, Code of Federal Regulations, containing a notice of the existence in certain areas of the swine disease known as vesicular exanthema and establishing a quarantine because of such disease, is hereby amended to read as follows:

§ 76.10 *Notice and quarantine.* (a) Notice is hereby given that the contagious, infectious and communicable disease of swine known as vesicular exanthema exists in the following areas:

The State of California;
Muscogee County in Georgia;
Cook County in Illinois;
Sedgwick County in Kansas;
Kaw Township in Jackson County in Missouri;
Ashland, Benson, Florence, Loveland, May, McHugh, Moorhead, Omaha, Ralston, and Union Townships in Douglas County; Platte Township in Dodge County and Alda Township in Hall County in Nebraska;
Burlington Gloucester, Hudson, Morris, and Ocean Counties in New Jersey;
New York County and Clarkstown Township in Rockland County, in New York;
Oklahoma County in Oklahoma;
Townships 1 and 2 North, Range 1 East of Willamette Meridian, in Multnomah County in Oregon;

(b) The Secretary of Agriculture, having determined that swine in the States named in paragraph (a) of this section are affected with the contagious, infectious and comunicable disease known as vesicular exanthema and that it is necessary to quarantine the areas specified in paragraph (a) of this section and the following additional areas in such States, in order to prevent the spread of said disease from such States, hereby quarantines the areas specified in paragraph (a) of this section and in addition Bergen, Essex, Hunterdon, and Union Counties in New Jersey.

Effective date. This amendment shall become effective upon issuance.

This amendment includes within the areas in which vesicular exanthema has been found to exist, and in which a quarantine has been established,

Muscogee County in Georgia;
Sedgwick County in Kansas; and
Oklahoma County in Oklahoma.

Hereafter, all of the restrictions of the quarantine and regulations in 9 CFR Part 76, Subpart B, as amended (17 F. R. 7070, 7927) apply with respect to shipments of swine and carcasses, parts and offal of swine from these localities.

This amendment excludes from the areas in which vesicular exanthema has been found to exist, and in which a quarantine has been established, the area within the corporate limits of Kansas City in Wyandotte County, in Kansas; and the City of Baltimore in Maryland; Richland Township in Sarpy County, in Nebraska; Lancaster County in Pennsylvania; that part of Sioux Falls Township in Minnehaha County, in South Dakota, lying east of U. S. Highway 77 (Cliff Avenue in the City of Sioux Falls) and north of U. S. Highway 16 (10th Street in the City of Sioux Falls); Township 25 North, Range 5 West in King County in Washington. Hereafter, none of the restrictions of the quarantine and regulations in 9 CFR Part 76, Subpart B, as amended (17 F. R. 7070, 7927) apply with respect to shipments of swine, and carcasses, parts and offal of swine from these localities.

The foregoing amendment in part relieves restrictions presently imposed and must be made effective immediately to be of maximum benefit to persons subject to such restrictions. In part the amendment imposes further restrictions necessary to prevent the spread of vesicular exanthema, a communicable disease of swine, and to this extent it must be made effective immediately to accomplish its purpose in the public interest. Accordingly, under section 4 of the Administrative Procedure Act (5 U. S. C. 1003) it is found upon good cause that notice and other public procedure with respect to the foregoing amendment are impracticable and contrary to the public interest and good cause is found for making the amendment effective less than 30 days after publication hereof in the FEDERAL REGISTER.

(Secs. 4, 5, 23 Stat. 32, as amended, sec. 2, 32 Stat. 792 as amended, sec. 3, 33 Stat. 1265, as amended; 21 U. S. C. 111, 120, 125. Interprets or applies sec. 7, 23 Stat. 32, as amended, sec. 1, 33 Stat. 1264, as amended; 21 U. S. C. 117, 123)

Done at Washington, D. C., this 11th day of September 1952.

[SEAL] C. J. MCCORMICK,
Acting Secretary of Agriculture.

[F. R. Doc. 52-10111; Filed, Sept. 16, 1952; 8:50 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

Subchapter A—Civil Air Regulations

[Supp. 7]

PART 6—ROTORCRAFT AIRWORTHINESS

DISTRIBUTION OF VERTICAL GROUND REACTION LOADS AND DETERMINATION OF ANGULAR INERTIA LOADS

This supplement is issued for the purpose of clarifying in detail the equilib-

rium conditions for § 6.231 (b) (2) and shall become effective upon publication in the FEDERAL REGISTER.

§ 6.231-1 *Distribution of vertical ground reaction loads and determination of angular inertia loads (CAA interpretations which apply to § 6.231 (b) (2)).* (a) Although § 6.231 (b) (2) states that the vertical loads are those specified in § 6.231 (b) (1), the distribution of the vertical loads among the ground reaction points is not necessarily the same for the two subparagraphs since the requirements of § 6.230 must be met. Section 6.230 (a) states, in part, that the external loads shall be placed in equilibrium with the linear and angular inertia loads in a rational or conservative manner.

(b) Compliance with § 6.231 (b) (2) is interpreted to require that a vertical inertia load of nW and a horizontal inertia load of 0.25 nW be applied at the center of gravity. For the level landing with drag on all wheels, the vertical ground reaction loads should be distributed between the forward and rear wheels to place the ground reaction loads in equilibrium with the rotorcraft linear inertia loads. For the level landing with drag on main wheels only, the pitching moments arising from the vertical and horizontal ground reactions should be placed in equilibrium with an angular inertia load about the c. g.

(c) The drag load at each wheel, in both cases, is required to be equal to 0.25 times the respective wheel vertical load.

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 603, 52 Stat. 1009, as amended; 49 U. S. C. 553)

[SEAL] F. B. LEE,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 52-10093; Filed, Sept. 16, 1952; 8:46 a. m.]

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 3]

PART 406—CERTIFICATION PROCEDURES

SUBPART B—ISSUANCE OF CERTIFICATES

MEDICAL CERTIFICATION OF MILITARY PERSONNEL

This amendment expressly provides that a medical certificate based on Standard Form 88 will not be issued under the authority of § 406.12a as published on May 3, 1952, in 17 F. R. 4104, for a grade higher than a Class 2 Medical Certificate (Commercial Grade).

Section 406.12a is amended by changing the period at the end of the first sentence to a semicolon and adding the following proviso: "*Provided*, That a medical certificate shall not be issued under these conditions for a grade higher than Class 2 (Commercial Grade)."

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 602, 52 Stat. 1008 as amended; 49 U. S. C. 552)

This amendment shall become effective upon publication in the FEDERAL REGISTER.

[SEAL] F. B. LEE,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 52-10092; Filed, Sept. 16, 1952; 8:46 a. m.]

[Amdt. 76]

PART 600—DESIGNATION OF CIVIL AIRWAYS

ALTERATIONS

The civil airway alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy, and the Air Force, through the Air Coordinating Committee, Airspace Subcommittee and are adopted to become effective when indicated in order to promote safety of the flying public. Compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to public interest, and therefore is not required.

Part 600 is amended as follows:

1. Section 600.14 *Green civil airway No. 4 (Los Angeles, Calif., to Philadelphia, Pa.)*, is amended by changing name of facility at Lebo, Kans. to read: "Lebo, Kans., non-directional radio beacon;" in lieu of "Lebo, Kans., radio range station;"

2. Section 600.101 *Amber civil airway No. 1 (U. S.-Mexican Border to Nome, Alaska)*, is amended by deleting the portion which reads: "Skwentna, Alaska, radio range station; the intersection of the northwest course of the Skwentna, Alaska, radio range and the southeast course of the Farewell, Alaska, radio range; Farewell, Alaska, radio range station; McGrath, Alaska, radio range station;" and by adding the following portion in lieu thereof: "Skwentna, Alaska, radio range station; Puntilla Lake, Alaska non-directional radio beacon; McGrath, Alaska, radio range station;"

3. Section 600.237 *Red civil airway No. 37 (Dallas, Tex., to Gordonsville, Va.)*, is amended by deleting the portion which reads: "From the intersection of the northeast course of the Huntington, W. Va., radio range and the west course of the Charleston, W. Va., VHF radio range to the Charleston, W. Va., VHF radio range station."

4. Section 600.292 is amended to read:

§ 600.292 *Red civil airway No. 92 (New York, N. Y., to Islip, N. Y.).* From the intersection of the southwest course of the Islip, N. Y., VHF VAR radio range and the southeast course of the Newark, N. J., radio range via the Islip, N. Y., VHF VAR radio range station to the intersection of the northeast course of the Islip, N. Y., VHF VAR radio range and the southeast course of the Bridgeport, Conn., radio range.

5. Section 600.312 *Red civil airway No. 112 (Hawaiian Islands)*, is amended by deleting the following: "excluding the portion above 5,000 feet."

6. Section 600.669 is amended to read:

§ 600.669 *Blue civil airway No. 69 (St. Louis, Mo., to Des Moines, Iowa).* From the St. Louis, Mo., radio range station via the Quincy, Ill., non-directional radio beacon; Ottumwa, Iowa, non-directional radio beacon to the Des Moines, Iowa, radio range station.

7. Section 600.682 *Blue civil airway No. 82 (Lebo, Kans., to Topeka, Kans.)*, is amended by changing name of facility at Lebo, Kans., to read: "Lebo, Kans., non-directional radio beacon" in lieu of "Lebo, Kans., radio range station".

8. Section 600.6004 *VOR civil airway No. 4 (Seattle, Wash., to Washington, D. C.)*, is amended between the Kansas City, Mo., omnirange station and the St. Louis, Mo., omnirange station to read: "Kansas City, Mo., omnirange station; Columbia, Mo., omnirange station, including a south alternate and also a north alternate via the intersection of the Kansas City omnirange 76° True and the Columbia omnirange 291° True radials, excluding those portions which overlap danger areas; St. Louis, Mo., omnirange station, including a north alternate;"

9. Section 600.6023 *VOR civil airway No. 23 (San Diego, Calif., to Bellingham, Wash.)*, is amended by deleting "Portland (Manor) omnirange 234° True" and by adding in lieu thereof "Portland (Manor) omnirange 247° True"

10. Section 600.6040 *VOR civil airway No. 40 (Flint, Mich., to Pittsburgh, Pa.)*, is amended by deleting "Detroit omnirange 141° True" and by adding in lieu thereof "Detroit omnirange 143° True"

11. Section 600.6066 *VOR civil airway No. 66 (San Diego, Calif., to Midland, Tex.)*, is amended by deleting "Tucson omnirange 92° True" and by adding in lieu thereof "Tucson omnirange 91° True", and also by deleting "Columbus, N. Mex., omnirange 276° True" and by adding in lieu thereof "Columbus, N. Mex., 277° True"

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 302, 52 Stat. 985, as amended; 49 U. S. C. 452)

This amendment shall become effective 0001, e. s. t., September 16, 1952.

[SEAL] S. A. KEMP,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 52-10094; Filed, Sept. 16, 1952; 8:46 a. m.]

[Amdt. 81]

PART 601—DESIGNATION OF CONTROL AREAS, CONTROL ZONES, AND REPORTING POINTS

ALTERATIONS

The control area, control zone and reporting point alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy and the Air Force, through the Air Coordinating Committee, Airspace Subcommittee, and are adopted to become effective when indicated in order to promote safety of the flying public. Compliance with the notice, procedures, and effective date provisions of section

4 of the Administrative Procedure Act would be impracticable and contrary to public interest and therefore is not required.

Part 601 is amended as follows:

1. Section 601.17 is amended to read:

§ 601.17 *Green civil airway No. 7 control areas (Nome, Alaska, to Fairbanks, Alaska).* From the Nome, Alaska, radio range station to a line extended at right angles across such airway through a point 50 miles east of the radio range station. From a line extended at right angles across such airway through a point 25 miles west of the Galena, Alaska, radio range station to the Fairbanks, Alaska, radio range station.

2. Section 601.250 is amended to read:

§ 601.250 *Red civil airway No. 50 control areas (Galena, Alaska, to Fairbanks, Alaska).* All of Red civil airway No. 50.

3. Section 601.292 is amended by changing caption to read: *Red civil airway No. 92 control areas (New York, N. Y. to Islip, N. Y.).*

4. Section 601.1173 *Control area extension (San Francisco, Calif.).* (North dogleg route) is revoked.

5. Section 601.1173 is added to read:

§ 601.1173 *Control area extension (San Francisco, Calif.).* All that airspace bounded by a line beginning at a point on the coastline at 37° 51′ 00″, Long. 122° 33′ 40″, thence easterly along the coastline to Lat. 37° 14′ 00″, Long. 122° 24′ 55″, thence southwestward along a bearing of 240° True from the Pescadero, Cal., non-directional radio beacon (located at Lat. 37° 14′ 09″, Long. 122° 23′ 57″) to Lat. 36° 16′ 00″, Long. 124° 26′ 00′, thence northwesterly along the eastern boundary of the Oakland Flight Information Region to Lat. 37° 42′ 00″, Long. 125° 24′ 00″, thence easterly to Lat. 37° 50′ 15″, Long. 124° 26′ 00″, thence to Lat. 37° 43′ 00″, Long. 124° 00′ 00″, thence to Lat. 37° 47′ 00″, Long. 123° 00′ 00″, thence to Lat. 37° 51′ 00″, Long. 122° 33′ 40″ the point of beginning.

6. Section 601.1174 *Control area extension (San Francisco, Calif.).* (Rhumb line route) is revoked.

7. Section 601.1175 *Control area extension (San Francisco, Calif.).* (San Francisco-Honolulu south dogleg route) is revoked.

8. Section 601.1236 *Control area extension (West Palm Beach, Fla.),* is revoked.

9. Section 601.1236 is added to read:

§ 601.1236 *Control area extension (Seattle (Clear Lake), Wash.).* All that airspace bounded by a line beginning on the eastern edge of VOR civil airway No. 23 at Lat. 48° 32′ 00″, thence due east to Long. 122° 14′ 00″, thence clockwise along the arc of a circle 5 miles in radius centered at Lat. 48° 27′ 30″, Long. 122° 14′ 00″, to Lat. 48° 28′ 25″, Long. 122° 07′ 40″, thence southeast to Lat. 48° 12′ 30″, Long. 122° 03′ 05″, thence southwest to a point on the eastern edge of Amber civil airway No. 1 at Lat. 47° 59′ 00″, thence northerly along the eastern edge of Amber civil airway No. 1 and VOR civil airway No. 23 to point of beginning.

10. Section 601.1307 is added to read:

§ 601.1307 *Control area extension (Minchumina, Alaska).* Within 5 miles either side of the southeast course of the Minchumina radio range extending from the radio range station to a point 25 miles southeast.

11. Section 601.1308 is added to read:

§ 601.1308 *Control area extension (Gustavus, Alaska).* Within 5 miles either side of the northwest course of the Gustavus, Alaska, radio range extending from the radio range station to a point 15 miles northwest.

12. Section 601.1309 is added to read:

§ 601.1309 *Control area extension (Kodiak, Alaska).* Within 5 miles either side of the east course of the Kodiak, Alaska radio range extending from the radio range station to a point 25 miles east.

13. Section 601.1983 *Three-mile radius zones,* is amended by changing name of airport at Paso Robles, Calif., to "Paso Robles County Airport" in lieu of "San Luis Obispo County Airport."

14. Section 601.1984 *Five-mile radius zones* is amended by deleting the following airport:

Pittsburgh, Pa.: Greater Pittsburgh Airport.

and by adding the following airports:

Galena, Alaska: Galena Airport.
Tanana, Alaska: Tanana Airport.

15. Section 601.2043 *Casper, Wyo., control zone* is amended by adding the following portion to present control zone: "and within 2 miles either side of a line bearing 269° True from the Casper ILS localizer extending from the Casper Natrona County Airport to a point 10 miles west of the ILS outer marker."

16. Section 601.2052 is amended to read:

§ 601.2052 *Quincy, Ill., control zone.* Within a 5 mile radius of the Quincy-Baldwin Airport and within 2 miles either side of the 35° True and 215° True radials of the Quincy omnirange extending from the airport to a point 10 miles southwest of the omnirange station.

17. Section 601.2055 is amended to read:

§ 601.2055 *Joplin, Mo., control zone.* Within a 5 mile radius of the Joplin Municipal Airport and within 2 miles either side of the north and south courses of the Joplin radio range extending from the airport to a point 10 miles north of the radio range station, and within 2 miles either side of a line bearing 318° True from the airport extending through the ILS outer marker to a point 10 miles northwest of the ILS outer marker.

18. Section 601.2056 is amended to read:

§ 601.2056 *Kansas City, Mo., control zone.* Within a 5 mile radius of the Kansas City Municipal Airport, within 2 miles either side of the north course of the Kansas City radio range extending from the radio range station to the Linkville Fan Marker, and within 2 miles either side of a line bearing 13° True from the airport extending through the Kansas City ILS outer marker compass locator to a point 5 miles north of the ILS outer marker compass locator.

19. Section 601.2057 is amended to read:

§ 601.2057 *Kirksville, Mo., control zone.* Within a 3 mile radius of the Kirksville Airport, within 2 miles either side of the southeast course of the Kirksville radio range extending from the radio range station to a point 10 miles southeast, and within 2 miles either side of the 316° True and 136° True radials of the Kirksville omnirange extending from the airport to a point 10 miles northwest of the omnirange station.

20. Section 601.2059 is amended to read:

§ 601.2059 *Laramie, Wyo., control zone.* Within a 5 mile radius of Brees Field, within 2 miles either side of the northwest course of the Laramie radio range extending from the radio range station to a point 10 miles northwest, and within 2 miles either side of the 332° True radial of the Laramie omnirange extending from the omnirange station to a point 10 miles northwest.

21. Section 601.2063 is amended to read:

§ 601.2063 *North Platte, Nebr., control zone.* Within a 5 mile radius of Lee Bird Municipal Field, within 2 miles either side of the south course of the North Platte radio range extending from the radio range station to a point 10 miles south, and within 2 miles either side of the 30° True and 210° True radials of the North Platte omnirange extending from Lee Bird Municipal Field to a point 10 miles southwest of the omnirange station.

22. Section 601.2074 is amended to read:

§ 601.2074 *Sioux City, Iowa, control zone.* Within a 5 mile radius of the Sioux City Municipal Airport, within 2 miles either side of the south course of the Sioux City radio range extending from the radio range station to the Sloan Fan Marker; within 2 miles either side of the 142° True radial of the Sioux City omnirange extending from the omnirange station to a point 10 miles southeast, and within 2 miles either side of a line bearing 136° True from the Sioux City ILS outer marker compass locator, extending from the ILS outer marker compass locator to a point 10 miles southeast.

23. Section 601.2076 is amended to read:

§ 601.2076 *Topeka, Kans., control zone.* All that area within an 8 mile radius of the Philip Billard Airport and within 2 miles either side of the Topeka ILS localizer course extending to a point 15 miles northwest of the ILS localizer; within 2 miles either side of the 40° True radial of the Topeka omnirange extending to a point 10 miles northeast of the omnirange station, and that area within

a 5 mile radius of Forbes Air Force Base, Topeka, Kans., and within 2 miles either side of the southwest course of the Forbes AFB radio range extending to a point 10 miles southwest of the Forbes AFB radio range station.

24. Section 601.2273 is amended to read:

§ 601.2273 *Wake Island control zone.* Within a 5 mile radius of Wake Island Airport (Lat. 19° 16' 53", Long. 166° 38' 40"), within 2 miles either side of a line bearing 102° True extending from the Wake HHW Type non-directional radio beacon (Lat. 19° 18' 18", Long. 166° 38' 22") to a point 10 miles east, and within 2 miles either side of a line bearing 282° True extending from the Wake MHW Type non-directional radio beacon (Lat. 19° 17' 05", Long. 166° 37' 26") to a point 10 miles west.

25. Section 601.2313 is added to read:

§ 601.2313 *Pittsburgh, Pa., control zone.* Within a 5 mile radius of Greater Pittsburgh Airport and within 2 miles either side of the Greater Pittsburgh Airport ILS localizer southeast course extending southeastward from the ILS localizer to the boundary of the Allegheny County Airport Control Zone.

26. Section 601.4014 *Green civil airway No. 4 (Los Angeles, Calif., to Philadelphia, Pa.)*, is amended by changing name of facility at Lebo, Kans., to read: "Lebo, Kans., non-directional radio beacon" in lieu of "Lebo, Kans., radio range station."

27. Section 601.4017 is amended to read:

§ 601.4017 *Green civil airway No. 7 (Nome, Alaska, to Fairbanks, Alaska.).* Galena, Alaska, radio range station; the intersection of the east course of the Galena, Alaska, radio range and the southwest course of the Tanana, Alaska, radio range; the intersection of the southeast course of the Tanana, Alaska, radio range and the west course of the Fairbanks, Alaska, radio range; the intersection of the west course of the Fairbanks, Alaska, radio range and the northwest course of the Nenana, Alaska, radio range; Fairbanks, Alaska, radio range station.

28. Section 601.4101 *Amber civil airway No. 1 (U. S.-Mexican Border, to Nome, Alaska.)*, is amended between the Skwentna, Alaska radio range station and the Farewell, Alaska, radio range stations by adding the following reporting point: "Puntilla Lake, Alaska, non-directional radio beacon;"

29. Section 601.4240 *Red civil airway No. 40 (Kodiak, Alaska, to Anchorage, Alaska)*, is amended between the Kodiak, Alaska, radio range station and the Kenai, Alaska, radio range station by adding the following reporting point: "Shuyak, Alaska, non-directional radio beacon;"

30. Section 601.4250 is amended to read:

§601.4250 *Red civil airway No. 50 (Galena, Alaska, to Fairbanks, Alaska).* Tanana, Alaska, radio range station.

31. Section 601.4292 is amended by changing caption to read: *Red civil airway No. 92 (New York, N. Y., to Islip, N. Y.).*

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551)

This amendment shall become effective 0001, e. s. t., September 16, 1952.

[SEAL] S. A. KEMP,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 52-10095; Filed, Sept. 16, 1952; 8:47 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 5384]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

ENCYCLOPEDIA BRITANNICA, INC.

Subpart—*Claiming or using indorsements or testimonials falsely or misleadingly:* § 3.330 *Claiming or using indorsements or testimonials falsely or misleadingly.* Subpart—*Misrepresenting oneself and goods—Business status, advantages or connections:* § 3.1365 *Authorities and personages connected with;* § 3.1430 *Government indorsement, sanction or sponsorship:—Goods:* § 3.1640 *Government source, origin or connection;* § 3.1740 *Scientific or other relevant facts:—Prices:* § 3.1825 *Usual as reduced or to be increased.* Subpart—*Offering unfair, improper and deceptive inducements to purchase or deal:* § 3.2055 *Sales for non-commercial recipients or objectives;* § 3.2070 *Special offers, savings and discounts.* In connection with the offering for sale, sale and distribution in commerce, of respondent's books designated Britannica Junior, or any substantially similar books, by whatever name designated, (1) using the words "School Advancement Program" or any words of similar import to designate, describe or refer to respondent's sales plan known as the "15 for 1" plan, or any substantially similar plan; or otherwise representing, directly or by implication, that any such sales plan is designed primarily for the benefit or improvement of schools or of any particular school; (2) representing, directly or by implication, that the sale of books under respondent's sales plan known as the "15 for 1" plan, or under any substantially similar plan, is being sponsored by any school or school official, unless the school or official referred to is in fact sponsoring such sale; (3) representing, directly or by implication, that the prices at which said books are offered for sale are special or reduced prices or are applicable for a limited time only when such prices are in fact the customary and usual prices at which said books are sold by respondent in its regular and normal course of business; or, (4) representing, directly or by implication, that said books are essential or indispensable to the proper preparation by pupils of their school homework; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and Desist Order, Encyclopedia Britannica, Inc., Chicago, Ill., Docket 5384, June 12, 1952]

In the Matter of Encyclopedia Britannica, Inc., a Corporation

This proceeding was heard by William L. Pack, hearing examiner, upon the complaint of the Commission, respondent's answer, and hearings at which testimony and other evidence, duly recorded and filed in the office of the Commission, were introduced before said examiner, theretofore duly designated by the Commission.

At the conclusion of the reception of such evidence in support of the complaint, counsel for the respondent filed with the Commission a motion to dismiss the complaint for failure of proof, which the Commission granted as to certain charges and denied as to certain other charges. Counsel for respondent having elected to introduce no evidence in opposition to the charges remaining in the complaint, the proceeding was closed by said examiner insofar as the reception of evidence was concerned.

Thereafter the proceeding regularly came on for final consideration by said examiner upon the complaint, answer, testimony and other evidence with respect to those charges remaining in the complaint, and proposed findings and conclusions submitted by counsel supporting the complaint (counsel for respondent having elected not to submit such proposals, and oral argument not having been requested), and said examiner, having duly considered the matter and having found that the proceeding was in the interest of the public, made his initial decision comprising certain findings as to the facts,[1] conclusion[1] drawn therefrom, and order to cease and desist.

Thereafter, the matter was disposed of by the Commission's "Order denying the appeal of counsel supporting the complaint from initial decision of the hearing examiner, decision of the Commission and order to file report of compliance", Docket 5384, June 12, 1952, as follows:

This matter came on to be heard by the Commission upon the appeal of counsel supporting the complaint from the initial decision of the hearing examiner herein and upon the briefs submitted in support of and in opposition to said appeal.

Counsel supporting the complaint under the first, third, fourth and fifth of his exceptions challenges, among other things, the hearing examiner's use of various words and terms such as "erroneous", "inherently erroneous and misleading", and "unwarranted and misleading" to characterize certain of the representations occurring during respondent's house-to-house sales presentations to the public and, in urging that they instead should be characterized as false, contends, in effect, that this is necessary and proper in order that any findings as to the facts issuing herein be not susceptible to an interpretation that the instances of misrepresentation disclosed by the record are but few in number or that they represent inadvert-

[1] Filed as part of the original document.

ent, unintentional mistakes on the part of respondent and its representatives. Counsel asserts also that supporting his contentions of error in this respect is the fact that the order of the Commission, dated April 25, 1951, ruling upon respondent's previously filed motion to dismiss contained recitations in detail of various representations and statements which the testimony indicated had been used by salesmen in respondent's sales presentations.

With respect to the circumstance last referred to, namely, the wording of the order of April 25, 1951, no requirement exists that hearing examiners subsequently adopt, verbatim, in the preparation of initial decisions such language relevant to the matters to be stated as may have appeared in the Commission's own interlocutory orders. The Commission, morevoer, does not share the view that the statements to which counsel's objections are interposed may be interpreted reasonably as an expression that the misrepresentation heretofore engaged in has occurred only in isolated instances or is attributable to inadvertent or unintentional error. The Commission is of the opinion that no error is presented by reason of the hearing examiner's use of the expressions excepted to in the particular contexts in which they occur or by reason of his failure, in such connection, to additionally characterize respondent's misrepresentations as false.

Under counsel's third exception, additional objection is directed to the words "unquestionably" and "already" appearing in Paragraph Four of the initial decision, counsel alleging in such connection that they have "significantly enthusiastic and complimentary implications." This position is untenable and it is deemed appropriate by the Commission for a hearing examiner to make reference to the circumstance that a party to a proceeding previously or already has discontinued a practice as the hearing examiner has done in the instant case in reference to respondent's former use of the term "School Advancement Program" to designate its sales plan, and it is noted in passing, in this connection also, that he properly concluded, in effect, that the public interest now requires a prohibition against any resumption of its use. In reference to the objection interposed to the word "unquestionably", counsel has advanced no reason why the value of reference books, as distinguished from their essentiality, in the preparation of student home work, should be regarded as questionable.

Counsel interposes objection in his second exception to the omission from the initial decision of a detailed narration of the statements made by respondent's salesmen in the course of those sales presentations which the hearing examiner deems to have been misrepresentative. Counsel does not urge, however, that the conclusions appearing in the initial decision characterizing the representations made by respondent as deceptive in import are erroneous conclusions nor does he contend that the prohibitions contained in the order are inadequate or not responsive to the record, and this exception clearly is without merit.

As a sixth ground for appeal, counsel supporting the complaint objects to the form of Paragraph Six of the hearing examiner's findings and, among other things, contends that, by there grouping together for discussion three of the charges of the complaint, the greater relative gravity which counsel feels adheres in one of such charges becomes obscured. It does not appear to the Commission that the recitations of this paragraph are characterized by a lack of proper emphasis or are erroneous otherwise, and this exception is not being granted.

The hearing examiner found that respondent has represented, contrary to fact, that its customary and usual prices were special or reduced prices and applicable only for a limited period of time, and the last of counsel's exceptions expresses objection to the hearing examiner's failure to find that sales agents falsely represented that savings of $120.00, in one instance, and of $60.00, in another instance, would be afforded to purchasers buying these reference books under the sales promotion being conducted locally. It does not appear that the hearing examiner failed to give consideration to the testimony to which this exception relates nor are any reasons advanced as bases for concluding that the omission of these matters from the findings as to the facts renders them erroneous substantively or that the order contained in the initial decision is deficient, and this exception is accordingly rejected.

The Commission, therefore, being of the opinion that counsel's appeal is without merit and that the initial decision of the hearing examiner constitutes an adequate and appropriate disposition of this proceeding:

It is ordered, That the aforesaid appeal from the initial decision of the hearing examiner be, and it hereby is, denied.

It is further ordered, That the initial decision of the hearing examiner, a copy of which is attached, shall, on the 12th day of June 1952, become the decision of the Commission.

It is further ordered, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist.

The order in said initial decision, thus made the decision of the Commission, is as follows:

It is ordered, That the respondent, Encyclopedia Britannica, Inc., a corporation, and its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of respondent's books designated Britannica Junior, or any substantially similar books, by whatever name designated, do forthwith cease and desist from:

1. Using the words "School Advancement Program" or any words of similar import to designate, describe or refer to respondent's sales plan known as the "15 for 1" plan, or any substantially similar plan; or otherwise representing directly or by implication, that any such sales plan is designed primarily for the benefit or improvement of schools or of any particular school.

2. Representing, directly or by implication, that the sale of books under respondent's sales plan known as the "15 for 1" plan, or under any substantially similar plan, is being sponsored by any school or school official, unless the school or official referred to is in fact sponsoring such sale.

3. Representing, directly or by implication, that the prices at which said books are offered for sale are special or reduced prices or are applicable for a limited time only, when such prices are in fact the customary and usual prices at which said books are sold by respondent in its regular and normal course of business.

4. Representing, directly or by implication, that said books are essential or indispensable to the proper preparation by pupils of their school homework.

Issued: June 12, 1952.

By the Commission.

[SEAL] D. C. DANIEL,
Secretary.

[F. R. Doc. 52-10135; Filed, Sept. 16, 1952; 8:56 a. m.]

[Docket 5554]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

NOEL'S GAY GAMES, INC. AND GUY E. NOEL

Subpart—*Using or selling lottery devices:* § 3.2475 *Devices for lottery selling.* Selling or distributing in commerce, push cards, punchboards or other lottery devices which are to be used or which, due to their design, are suitable for use in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise or lottery scheme; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Noel's Gay Games, Inc. et al., Muncie, Indiana, Docket 5554, June 17, 1952]

In the Matter of Noel's Gay Games, Inc., a Corporation, and Guy E. Noel, an Individual and Officer of Noel's Gay Games, Inc.

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on May 24, 1948, issued and subsequently served its complaint in this proceeding upon respondent Gay Games, Inc., a corporation (erroneously named in the complaint herein as Noel's Gay Games, Inc.) and respondent Guy E. Noel, an individual, charging said respondents with the use of unfair acts and practices in commerce in violation of the provisions of said act. After the issuance of said complaint and respondents' answer thereto, testimony

and other evidence in support of the allegations of the complaint were introduced before a hearing examiner of the Commission theretofore duly designated by it. Thereafter, upon permission granted by said hearing examiner, respondents withdrew their said answer to the complaint and filed a new answer which, subject to the condition that the Commission take no action herein until its final determination of the matter of Superior Products Company, Inc., Docket No. 5561, admitted all of the material allegations of fact in said complaint and waived all intervening procedure, including the filing of a recommended decision by the hearing examiner, but which expressly reserved respondents' right of appeal from any decision of the Commission herein. Thereafter, this proceeding regularly came on for final hearing before the Commission upon the aforesaid complaint and respondents' answer admitting all of the material allegations of fact therein (the Commission in the meantime having issued its order to cease and desist in the matter of Superior Products Company, Inc.); and the Commission having duly considered the matter and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts[1] and its conclusion[1] drawn therefrom.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the respondents' answer admitting all of the material allegations of fact therein and waiving all intervening procedure, and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent Gay Games, Inc., a corporation, and its officers, and the respondent Guy E. Noel, an individual, and their respective agents, representatives and employees, directly or through any corporate or other device, do forthwith cease and desist from: Selling or distributing in commerce, as "commerce" is defined in the Federal Trade Commission Act, push cards, punchboards, or other lottery devices which are to be used or which, due to their design, are suitable for use in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise, or lottery scheme.

It is further ordered, That the respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

Issued: June 17, 1952.

By the Commission.

[SEAL] D. C. DANIEL, *Secretary.*

[F. R. Doc. 52-10132; Filed, Sept. 16, 1952: 8:55 a. m.]

[1] Filed as part of the original document.

No. 182——2

[Docket 5580]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

STANDARD DISTRIBUTORS, INC., ET AL.

Subpart—*Misrepresenting oneself and goods—Goods:* § 3.1625 *Free goods or services;* § 3.1650 *History of product;* § 3.1735 *Sample, offer, or order conformance:—Price:* § 3.1780 *Combination sales;* § 3.1825 *Usual as reduced or to be increased.* Subpart—*Offering unfair, improper and deceptive inducements to purchase or deal:* § 3.1955 *Free goods;* § 3.1985 *Individual's special selection or situation;* § 3.2060 *Sample, offer or order conformance;* § 3.2070 *Special offers, savings and discounts.* In connection with the offering for sale, sale or distribution in commerce, or the New Standard Encyclopedia and its supplement, World Progress, edited and published by Standard Education Society, or any other book or books, (1) representing, directly or by implication, (a) that the New Standard Encyclopedia is a new encyclopedia; (b) that one may obtain a set of the New Standard Encyclopedia or a reduction in the price thereof merely by writing a letter of recommendation therefor or an opinion thereon; or that any of the books sold by the respondents may be obtained by any means other than by payment of the full purchase price; (c) that purchasers of a combination of books pay only for a part thereof; (d) that the price at which any book or combination of books is offered is less than the price at which it will be offered later, contrary to the fact; (e) that the quality of the binding, printing, paper or illustrations of any book, as delivered, will be equal in such respects to samples thereof exhibited to prospective purchasers, contrary to the fact; and (2) exhibiting to prospective purchasers samples of the binding, printing, paper or illustrations of such encyclopedia, supplement or any other book, which are superior in quality to the binding, printing, paper or illustrations of such books as delivered to purchasers thereof; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Standard Distributors, Inc., et al., Chicago, Ill., Docket 5580, June 13, 1952]

In the Matter of Standard Distributors, Inc., a Corporation, LeRoy S. Bimstein, David Tuttle, and A. J. Noreus, Individually and as Officers of Standard Distributors, Inc., a Corporation

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on August 30, 1948, issued and thereafter caused to be served upon the respondents named in the caption hereof, other than David Tuttle, its complaint in this proceeding, charging said respondents with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of said act. After the issuance of said complaint and the filing by respondents, other than David Tuttle, of their answer thereto, testimony and other evidence in support of and in opposition to the complaint were introduced before a hearing examiner of the Commission theretofore duly designated by it, and said testimony and other evidence were duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission upon said complaint, the respondents' answer thereto, the testimony and other evidence, the hearing examiners recommended decision and certain exceptions thereto, the respondents' exceptions to certain rulings of the hearing examiner, briefs in support of and in opposition to the complaint and oral arguments of counsel; and the Commission, having issued its orders disposing of the exceptions to the recommended decision and to the rulings of the hearing examiner and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts[1] and its conclusions[1] drawn therefrom.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of the respondents (other than David Tuttle), testimony and other evidence in support of and in opposition to the complaint introduced before a hearing examiner of the Commission theretofore duly designated by it, the hearing examiner's recommended decision and certain exceptions thereto, respondents' exceptions to certain rulings of the hearing examiner, and briefs and oral arguments of counsel, and the Commission having issued its orders disposing of the exceptions to the recommended decision and to the rulings of the hearing examiner and having made its findings as to the facts and its conclusion that Standard Distributors, Inc., a corporation, and LeRoy S. Bimstein, individually and as an officer of said corporation, have violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent, Standard Distributors, Inc., a corporation, and its officers, and the respondent, LeRoy S. Bimstein, individually and as an officer of said corporation, and said respondents' agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of the New Standard Encyclopedia and its supplement, World Progress, edited and published by Standard Education Society, or of any other book or books, do forthwith cease and desist from:

(1) Representing, directly or by implication:

(a) That the New Standard Encyclopedia is a new encyclopedia;

(b) That one may obtain a set of the New Standard Encyclopedia or a reduction in the price thereof merely by writing a letter of recommendation therefor or an opinion thereon; or that any of the books sold by the respondents may be obtained by any means other than by payment of the full purchase price;

(c) That purchasers of a combination of books pay only for a part thereof;

(d) That the price at which any book or combination of books is offered is less than the price at which it will be offered later, contrary to the fact;

(e) That the quality of the binding, printing, paper or illustrations of any book, as delivered, will be equal in such respects to samples thereof exhibited to prospective purchasers, contrary to the fact;

(2) Exhibiting to prospective purchasers samples of the binding, printing, paper or illustrations of such encyclopedia, supplement or any other book, which are superior in quality to the binding, printing, paper or illustrations of such books as delivered to purchasers thereof.

It is further ordered, That the complaint herein be, and it hereby is, dismissed as to the respondents, David Tuttle and A. J. Noreus.

It is further ordered, That the respondents, Standard Distributors, Inc., and LeRoy S. Bimstein, shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

Issued: June 13, 1952.

By the Commission.

[SEAL] D. C. DANIEL, *Secretary.*

[F. R. Doc. 52-10134; Filed, Sept. 16, 1952; 8:55 a. m.]

[Docket 5661]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

ALLIED DISTRIBUTORS

Subpart—*Using or selling lottery devices:* § 3.2475 *Devices for lottery selling.* Selling or distributing in commerce, push cards, punchboards, or other lottery devices which are to be used or which, due to their design, are suitable for use in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise, or lottery scheme; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Albert Greenberg et al. d. b. a. Allied Distributors, Portland, Oregon, Docket 5661, June 17, 1952]

In the Matter of Albert Greenberg and P. D. Bergen, Individuals and Copartners Trading and Doing Business as Allied Distributors

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on June 1, 1949, issued and subsequently served its complaint in this proceeding upon the respondents Albert Greenberg and P. D. Beugen (erroneously named in the complaint as P. D. Bergen) charging said respondent with the use of unfair acts and practices in commerce in violation of the provisions of said act. No answer having been filed to said complaint within the time permitted under the Commission's rules of practice, hearings were held at which testimony and other evidence in support of and in opposition to the allegations of the complaint were introduced before a hearing examiner of the Commission theretofore designated by it, and such testimony and other evidence were duly recorded and filed in the office of the Commission. Thereafter, upon motion of counsel for respondent Albert Greenberg, the hearing examiner permitted said respondent to file his answer to said complaint. Said answer of respondent Albert Greenberg, which was filed subject to the condition that the Commission take no action herein until its final determination of the matter of Superior Products Company, Inc., Docket No. 5561, admits all of the material allegations of fact in said complaint and waives all intervening procedure, including the filing of a recommended decision by the hearing examiner, but specifically reserves the right of appeal from any decision entered by the Commission herein. Upon motion of counsel supporting the complaint, all of the testimony taken herein other than that relating to respondent P. D. Beugen was stricken from the record.

Thereafter, this proceeding regularly came on for final hearing before the Commission upon the aforesaid complaint, the answer of respondent Albert Greenberg, the testimony and other evidence, and the recommended decision of the hearing examiner as to respondent P. D. Beugen (the recommended decision as to respondent Albert Greenberg having been specifically waived, no briefs having been filed, and oral argument not having been requested, and the Commission in the meantime having issued its order to cease and desist in the matter of Superior Products Company, Inc.); and the Commission, having duly considered the matter and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts [1] and its conclusion [1] drawn therefrom.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent Albert Greenberg admitting all of the material facts alleged therein and waiving all intervening procedure as to him, testimony and other evidence relating to the allegations of the complaint as to respondent P. D. Beugen, introduced before a hearing examiner of the Commission theretofore duly designated by it, and the hearing examiner's recommended decision as to the allegations of the complaint relating to respondent P. D. Beugen, and the Commission having made its findings as to the facts and its conclusion that respondent Albert Greenberg has violated the provisions of the Federal Trade Commission Act:

It is ordered, That respondent Albert Greenberg, individually, and trading under the name Allied Distributors or trading under any other name, and his agents, representatives and employees, directly or through any corporate or other device, do forthwith cease and desist from: Selling or distributing in commerce, as "commerce" is defined in the Federal Trade Commission Act, push cards, punchboards, or other lottery devices which are to be used or which, due to their design, are suitable for use in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise, or lottery scheme.

It is further ordered, That the complaint herein be, and it hereby is, dismissed as to respondent P. D. Beugen.

It is further ordered, That respondent Albert Greenberg shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with this order.

Issued: June 17, 1952.

By the Commission.

[SEAL] D. C. DANIEL, *Secretary.*

[F. R. Doc. 52-10133; Filed, Sept. 16, 1952; 8:55 a. m.]

[1] Filed as part of the original document.

TITLE 20—EMPLOYEES' BENEFITS

Chapter V—Bureau of Employment Security, Department of Labor

PART 606—REGULATIONS TO IMPLEMENT TITLE IV OF THE VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952 (ALL STATES EXCEPT PUERTO RICO AND THE VIRGIN ISLANDS)

Pursuant to the authority vested in me by section 406 of the Veterans' Readjustment Assistance Act of 1952 (Pub. Law 550, 82d Cong., 66 Stat. 663), and after consultation with representatives of State unemployment compensation agencies, the following regulations are prescribed:

Sec.

606.1 Definitions.
606.2 Effective date of program.
606.3 Determination of veteran status under title IV.
606.4 Constructive eligibility.
606.5 Applicable State law.
606.6 Waiting period.
606.7 Compensation for weeks of unemployment.
606.8 Nonduplication of benefits under State or Federal law.
606.9 Applicability of State disqualifications.
606.10 Overpayments.
606.11 Appeals.

AUTHORITY: §§ 606.1 to 606.11 issued under sec. 406, Pub. Law 550, 82d Cong.

§ 606.1 *Definitions.* As used in this part, unless the context clearly indicates otherwise:

(a) "Title IV" means title IV of the Veterans' Readjustment Assistance Act of 1952 (Pub. Law 550, 82d Cong., 66 Stat. 663), entitled "Unemployment Compensation for Veterans of Service on or after June 27, 1950."

(b) "Agency" means any agency administering a State unemployment compensation or employment security law which has entered into an agreement with the Secretary under title IV.

(c) "Compensation" means the money payments under title IV to veterans with respect to their unemployment.

(d) "Interstate Benefit Payment Plan" means the plan, in which the employment security agencies of all States (except Puerto Rico and the Virgin Islands) are participating, which provides for the payment of benefits to claimants who are not in the State in which they have qualifying wage credits, and also establishes uniform interstate appeals procedures. Under this plan a "liable State" is a State against which a worker claims benefits through the facilities of the employment security agency of another (agent) State.

(e) "State law" means a State unemployment compensation or employment security law, but shall not include the law providing unemployment compensation for sugar workers in Puerto Rico (Act No. 356, approved May 15, 1948, as amended).

(f) "Federal law" means a Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (52 Stat. 1094), as amended, and title V of the Servicemen's Readjustment Act of 1944 (58 Stat. 284), as amended.

(g) "Veteran" means any person who has served in the active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States at any time on or after June 27, 1950, and prior to a date that shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released from such active service under conditions other than dishonorable after continuous service of ninety days or more, or by reason of an actual service-incurred injury or disability.

(h) "Week" means a week as defined in the applicable State law.

(i) "Secretary" means the Secretary of Labor.

(j) "State" includes Hawaii, Alaska, Puerto Rico, the Virgin Islands, and the District of Columbia.

§ 606.2 *Effective date of program.* Compensation under title IV shall be payable for weeks of unemployment beginning after October 14, 1952. For any State operating under a flexible week for benefit payment purposes the first week for which compensation can be paid will start on October 15, 1952; for any State operating under a calendar week for benefit payment purposes the first week for which compensation can be paid will start on October 19, 1952; and for any State operating under any other statutory week for benefit payment purposes the first week for which compensation can be paid will start on the first day of the first such statutory week beginning after October 14, 1952.

§ 606.3 *Determination of veteran status under title IV.* (a) The agency of the State whose law is applicable in accordance with § 606.5 shall determine an individual's status as a veteran under title IV when the individual files his first request for such determination. Such a determination shall be subject to redetermination or modification only by such State even if additional evidence is adduced after the individual has moved to another State. A status determination by Puerto Rico, the Virgin Islands, or the Secretary acting in the absence of an agreement, pursuant to regulations prescribed under title IV, shall be binding on all States.

(b) If an individual is found to have had a period of service which would make him a veteran under title IV, his status as a veteran shall not be affected by the fact that he may be or may have been discharged or released under dishonorable conditions from some other period of service.

§ 606.4 *Constructive eligibility.* Whenever an individual meets the qualifying wage or employment requirements of any State or other Federal law or would meet them but for the provisions of title IV or any action taken by him under such title or his failure to file a claim for benefits, he shall be deemed eligible for unemployment benefits under such State or Federal law for purposes of title IV. Whenever an individual does not meet the qualifying wage or employment requirements of any State or other Federal law for a reason other than the provisions of title IV or any action taken by him under such title or his failure to file a claim for benefits, he shall be deemed not eligible for unemployment benefits under such State or Federal law for purposes of title IV.

§ 606.5 *Applicable State law.* (a) An individual who is eligible for unemployment benefits under a State law shall have any rights to compensation, which he claims under title IV to supplement his State benefits, determined in accordance with the law of such State. An individual who is eligible for unemployment benefits under more than one State law shall have any rights to compensation, which he claims under title IV to supplement his State benefits, determined under the law of the State selected as the liable State in accordance with the order of liability of States provided in the Interstate Benefit Payment Plan.

(b) An individual who is not eligible for unemployment benefits under any State law shall have his rights to compensation under title IV determined in accordance with the law of the State in which he files a claim for compensation. If a veteran moves to another State and files a claim for compensation under title IV, his claim shall be transferred to such State (or to the Secretary if the State to which he moves has no agreement under this title), unless:

(1) His stay in such State is of a temporary or transitory nature, or

(2) His claim is subject to a disqualification or postponement of compensation, or he has been disqualified because of a strike, lockout or other industrial controversy, not yet terminated at the establishment where he is or was last employed, or

(3) A determination regarding such disqualification or postponement has been made but is not final because of a pending hearing or appeal.

When a transfer is not made, because of any of the reasons above, any claim for compensation shall be filed as an interstate claim against the State from which the veteran moved.

(c) The State to which a veteran's claim for compensation under title IV is transferred shall make no determination of his rights to such compensation and shall pay no such compensation with respect to any period for which the State from which the claim is transferred (or the Secretary acting in the absence of an agreement) has previously made a determination.

(d) The agency of the State which determines rights to compensation under title IV shall pay such compensation in accordance with the State law, except for the weekly amount and maximum potential duration of such compensation and subject to §§ 606.6, 606.7, 606.8, 606.9 and 606.10.

§ 606.6 *Waiting period.* If a veteran who files a claim for compensation under title IV is not eligible for unemployment benefits under any State law, no waiting period shall apply. The waiting-period provisions of the applicable State law shall, however, apply to a veteran claiming compensation under title IV who is eligible for unemployment benefits under a State law; *Provided, however,* That no compensation under title IV shall be paid to a veteran who is serving a waiting period required by the Railroad Unemployment Insurance Act.

§ 606.7 *Compensation for weeks of unemployment.* (a) Compensation under title IV shall be payable to veterans during the effective period of title IV without regard to State benefit-year provisions. Such compensation shall be payable at a rate of $26 per week in accordance with the applicable State law for weeks of total unemployment and for weeks of less than full-time work until the total amount of compensation received under title IV equals $676.

(b) (1) If a veteran is eligible for unemployment benefits under any State or other Federal law at a rate less than $26 (including the amount of dependents' allowance, if any) for a week of total unemployment, compensation under title IV for a week of total unemployment shall be payable at a rate of $26 per week less the amount of such benefits.

(2) If a veteran is not eligible for unemployment benefits under any State or other Federal law, compensation under title IV for a week of total unemployment shall be payable at a rate of $26 per week.

(c) (1) If a veteran is eligible for unemployment benefits under any State or other Federal law at a rate less than $26 (including the amount of dependents' allowance, if any) for a week of total unemployment, the amount of compensation under title IV for a week of less than full-time work shall be the difference between the amount of such benefits and an amount calculated in accordance with the provisions of the applicable State law on the basis of a $26 rate for the week. The entire amount so calculated shall be payable under title IV if the earnings of the veteran for the week are such that no State or other Federal benefits are payable.

(2) If a veteran is not eligible for unemployment benefits under any State or other Federal law, the amount of com-

pensation under title IV payable to him for any week of less than full-time work shall be determined in accordance with the applicable State law, except that $26 shall be used as the weekly benefit amount for determining whether or not the veteran is unemployed and the amount of his compensation under title IV for such week. Any earnings disregarded under the applicable State law shall also be disregarded in determining the amount of his compensation under title IV for the week.

§ 606.8 *Nonduplication of benefits under State or Federal law.* (a) Whenever a veteran is eligible for unemployment benefits under any State or other Federal law at a rate of $26 or more (including the amount of dependents' allowance, if any) per week, he is not entitled to receive any compensation under title IV during the period for which he is eligible for such benefits, including waiting weeks and the effective period of disqualification or other postponement of benefits incurred in the course of a claim for benefits.

(b) Whenever a veteran is eligible for unemployment benefits under any State or other Federal law at a rate of less than $26 (including the amount of dependents' allowance, if any) per week, he may be paid compensation under title IV as a supplement to such benefits only with respect to weeks for which he meets the applicable conditions for payment of benefits, and is not disqualified, under the applicable State law: *Provided, however,* That such veteran may receive the supplement if he is denied benefits under such law because of title IV or any action taken by him under such title or because he is seeking or receiving benefits under any unemployment compensation law. *Provided further,* That this limitation shall not prevent the payment of compensation under title IV for a week of less than full-time work when the earnings are such that no State or other Federal benefits are payable.

(c) Compensation under title IV shall not be paid:

(1) For any period with respect to which the agency finds that a veteran receives an education and training allowance under subsection (a), (b), (c) or (d) of section 232 of the Veterans' Readjustment Assistance Act of 1952 or a subsistence allowance under part VII or part VIII of Veterans Regulation Numbered 1 (a), as amended; or

(2) For any period with respect to which the agency finds that a veteran receives additional compensation necessary for his maintenance under section 6(b) (2) of the Federal Employees' Compensation Act (39 Stat. 742), as amended.

§ 606.9 *Applicability of State disqualifications.* (a) All provisions of the applicable State law regarding disqualifications shall apply to a veteran filing a claim for compensation under title IV, except that:

(1) No veteran shall be disqualified for compensation under title IV solely because he is seeking or receiving benefits under title IV or any other unemployment compensation law, and

(2) No cancellation of wage credits or reduction of benefit rights under a State law shall be applied in such a manner as to result in a reduction of the maximum amount of compensation provided under title IV, but any such cancellation or reduction shall, so far as practicable, be given an equivalent effect by postponement of compensation under title IV; if the provision of the applicable State law cannot be given equivalent effect then the disqualification shall be a postponement of payments of compensation for a period of 1 to 20 weeks as determined by the agency in accordance with the circumstances in each case.

(b) Any benefit-year limitations on the maximum disqualification or period of postponement provided in the applicable State law shall be given equivalent effect in the case of a claim under title IV.

§ 606.10 *Overpayments.* (a) In cases where a veteran has received an overpayment of title IV compensation as a result of false statements knowingly made or material facts knowingly withheld as provided for in section 405 (b) of title IV, he shall be liable to repay any such outstanding overpayment; or, in the discretion of the agency, there may be offset against any such outstanding overpayment any future compensation payable to him under title IV if the existence of such nondisclosure or misrepresentation has been found by a court of competent jurisdiction or in connection with a reconsideration or appeal: *Provided, however,* That such offset is limited to future compensation payable to him under title IV within the two-year period following such finding.

(b) Except in cases where false statements are knowingly made or material facts are knowingly withheld as provided for in section 405 (b), the law of the State shall determine whether a veteran who has received an overpayment of compensation under title IV which he has not repaid shall receive any future compensation payable under title IV, or shall be liable to repay such overpayment, or whether there shall be permitted an offset of any future compensation payable to him under title IV against such outstanding overpayment, or whether a waiver of such overpayment shall be permitted.

§ 606.11 *Appeals.* All hearings and appeals regarding a determination rendered by a State shall be heard and decided by the State adjudicating authorities and under the conditions established by the law of such State. If the veteran is in or has moved to a State other than the State which rendered the determination, the interstate appeals procedure, as established under the Interstate Benefit Payment Plan, shall apply.

Effective date. This part shall take effect on October 15, 1952.

Signed at Washington, D. C., this 9th day of September 1952.

MAURICE J. TOBIN,
Secretary of Labor.

[F. R. Doc. 52-10128; Filed, Sept. 16, 1952; 8:53 a. m.]

PART 607—REGULATIONS TO IMPLEMENT TITLE IV OF THE VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952 IN PUERTO RICO AND THE VIRGIN ISLANDS

Pursuant to the authority vested in me by sections 402 and 406 of the Veterans' Readjustment Assistance Act of 1952 (Pub. Law 550, 82d Cong., 66 Stat. 663):

Sec.

607.1 Definitions.
607.2 Constructive eligibility.
607.3 Effective date of program.
607.4 Determination of veteran status under title IV.
607.5 Applicable law.
607.6 Payment.
607.7 Waiting period.
607.8 Compensation for weeks of unemployment.
607.9 Nonduplication of benefits.
607.10 Disqualifications.
607.11 Overpayments.
607.12 Determination.
607.13 Appointment of referees.
607.14 Filing and perfecting an appeal before a referee.
607.15 Notice of appeal to referee.
607.16 Scheduling and notice of hearing before referee.
607.17 Conduct of hearing.
607.18 Evidence.
607.19 Record.
607.20 Withdrawals.
607.21 Non-appearance of claimant.
607.22 Notice of decision of referee.
607.23 Appeals to Secretary.
607.24 Certification of questions to Secretary.
607.25 Removal by the Secretary.
607.26 Procedures in preparation for review by the Secretary.
607.27 Hearing and review before Secretary.
607.28 Withdrawals.
607.29 Notice of Secretary's decision.
607.30 General provisions applicable to proceedings before referee or Secretary.

AUTHORITY: §§ 607.1 to 607.30 issued under secs. 402, 406, Pub. Law 550, 82d Cong.

§ 607.1 *Definitions.* As used in this part, unless the context clearly indicates otherwise:

(a) "Title IV" means title IV of the Veterans' Readjustment Assistance Act of 1952 (66 Stat. 663), entitled "Unemployment Compensation for Veterans of Service on or after June 27, 1950."

(b) "Compensation" means the money payments under title IV to veterans with respect to their unemployment.

(c) "State law" means a State unemployment compensation or employment security law but shall not include the law providing unemployment compensation for sugar workers in Puerto Rico (Act No. 356, approved May 15, 1948, as amended).

(d) "Federal law" means a Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (52 Stat. 1094), as amended, and title V of the Servicemen's Readjustment Act of 1944 (58 Stat. 284) as amended.

(e) "Veteran" means any person who has served in the active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States at any time on or after June 27, 1950, and prior to a date that shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released from

such active service under conditions other than dishonorable after continuous service of ninety days or more, or by reason of an actual service-incurred injury or disability.

(f) "Week" means a week as defined in the applicable State law.

(g) "Secretary" means the Secretary of Labor of Puerto Rico.

(h) "Agency" means the agency in Puerto Rico or the Virgin Islands, as the case may be, which is cooperating with the United States Employment Service under the act of June 6, 1933 (48 Stat. 113).

(i) "Cooperating State" means a State which will honor claims for benefits under its unemployment compensation or employment security law from veterans in Puerto Rico and the Virgin Islands eligible therefor.

(j) "State" includes Hawaii, Alaska, Puerto Rico, the Virgin Islands, and the District of Columbia.

§ 607.2 *Constructive eligibility.* (a) Whenever a veteran in Puerto Rico or the Virgin Islands meets the qualifying wage or employment requirements of any Federal law or the law of a cooperating State, or would meet them but for the provisions of title IV or any action taken by him under such title or his failure to file a claim for benefits, he shall be deemed eligible for unemployment benefits under such Federal or State law for purposes of title IV. Whenever such veteran does not meet the qualifying wage or employment requirements of any Federal law or the law of a cooperating State for a reason other than the provisions of title IV or any action taken by him under such title or his failure to file a claim for benefits, he shall be deemed not eligible for unemployment benefits under such Federal or State law for purposes of title IV.

(b) Whenever a veteran in Puerto Rico or the Virgin Islands cannot receive unemployment benefits under any Federal or State law solely because of his being in Puerto Rico or the Virgin Islands, he shall be deemed not eligible for such benefits for purposes of title IV.

§ 607.3 *Effective date of program.* In the case of veterans in Puerto Rico or the Virgin Islands who are not eligible for unemployment benefits under the law of a cooperating State, compensation under title IV shall be payable with respect to weeks of unemployment beginning after October 18, 1952. In the case of veterans in Puerto Rico or the Virgin Islands who are eligible for unemployment benefits under the law of a cooperating State, the first week for which compensation under title IV will be payable shall be determined in accordance with § 606.2.

§ 607.4 *Determination of veteran status under title IV.* (a) The agency shall determine whether or not an individual in Puerto Rico or the Virgin Islands, who is not eligible for unemployment benefits under the law of a cooperating State, is a veteran under title IV when the individual files his first request for such determination. Such a determination shall be subject to redetermination or modification only by Puerto Rico, or the Virgin Islands, as the case may be, even if additional evidence is adduced after the individual has moved therefrom. A status determination by another State or the Secretary of Labor of the United States pursuant to regulations prescribed under title IV shall be binding on Puerto Rico or the Virgin Islands, as the case may be.

(b) If an individual is found to have had a period of service which would make him a veteran under title IV, his status as a veteran shall not be affected by the fact that he may be or have been discharged or released under dishonorable conditions from some other period of service.

§ 607.5 *Applicable law.* (a) A veteran in Puerto Rico or the Virgin Islands who is not eligible for unemployment benefits under the law of a cooperating State shall have his rights to compensation under title IV determined in accordance with the unemployment compensation law of the District of Columbia except for the weekly amount and maximum potential duration of such compensation and except as otherwise provided in this part. If the veteran moves to another State and files a claim for compensation under title IV, his claim shall be transferred to such State (or to the Secretary of Labor of the United States if the State to which he moves has no agreement under this title), unless:

(1) His stay in such State is of a temporary or transitory nature; or

(2) His claim is subject to a disqualification or a postponement of compensation; or

(3) A determination regarding a disqualification or a postponement has been made but is not final because of a pending hearing or appeal.

(b) Upon such transfer from Puerto Rico or the Virgin Islands, the veteran's rights to compensation shall be determined in accordance with the unemployment compensation or employment security law of the State to which the claim is transferred and in accordance with Part 606 of this chapter[1] unless such transfer is between Puerto Rico and the Virgin Islands.

(c) A veteran in Puerto Rico or the Virgin Islands who is eligible for unemployment benefits under the law of a cooperating State shall have his claim for compensation under title IV forwarded to such State for determination in accordance with the law of such State and in accordance with Part 606 of this chapter.

§ 607.6 *Payment.* The agency in Puerto Rico shall pay compensation under title IV to veterans entitled thereto in Puerto Rico and the Virgin Islands who are not eligible for unemployment benefits under the law of a cooperating State.

§ 607.7 *Waiting period.* The waiting-period provisions of the unemployment compensation law of the District of Columbia shall not be applied by Puerto Rico or the Virgin Islands to a veteran who files a claim for compensation under title IV: *Provided, however,* That no compensation under title IV shall be paid to a veteran in Puerto Rico or the Virgin Islands who is serving a waiting period required by the Railroad Unemployment Insurance Act.

§ 607.8 *Compensation for weeks of unemployment.* (a) Compensation under title IV shall be payable during the effective period of title IV to veterans in Puerto Rico or the Virgin Islands, who are not eligible for unemployment benefits under the law of a cooperating State, without regard to the benefit-year provisions of the unemployment compensation law of the District of Columbia until the total amount of compensation received under title IV equals $676.

(b) (1) If such veteran is eligible for unemployment benefits under any other Federal law, or, in the case of a veteran in Puerto Rico, under any law of Puerto Rico, at a rate less than $26 (including the amount of dependents' allowance, if any) for a week of total unemployment, compensation under title IV for a week of total unemployment shall be payable at the rate of $26 per week less the amount of such benefits.

(2) If such veteran is not eligible for unemployment benefits under any other Federal law, or, in the case of a veteran in Puerto Rico, under any law of Puerto Rico, compensation under title IV for a week of total unemployment shall be payable at the rate of $26 per week.

(c) (1) If such veteran is eligible for unemployment benefits under any other Federal law at a rate less than $26 (including the amount of dependents' allowance, if any) for a week of total unemployment, the amount of compensation under title IV for a week of less than full-time work shall be the difference between the amount of such benefits for the week and an amount calculated in accordance with the unemployment compensation law of the District of Columbia on the basis of a $26 rate for the week.

(2) If such veteran is not eligible for unemployment benefits under any other Federal law, the amount of compensation under title IV payable to him for a week of less than full-time work shall be determined in accordance with the unemployment compensation law of the District of Columbia, except that $26 shall be used as the weekly benefit amount for determining whether or not the veteran is unemployed and the amount of his compensation under title IV for such week. Any earnings disregarded under the unemployment compensation law of the District of Columbia shall also be disregarded in determining his compensation under title IV for the week.

§ 607.9 *Nonduplication of benefits.* (a) Whenever a veteran in Puerto Rico or the Virgin Islands is eligible for unemployment benefits under any other Federal law at a rate of $26 or more (including the amount of dependents' allowance, if any) per week, he is not entitled to receive any compensation under title IV during the period for which he is eligible for such benefits, including waiting weeks and the effective period of disqualification or other postponement

[1] See F. R. Doc. 52-10128, *supra*.

of benefits incurred in the course of a claim for benefits.

(b) Whenever a veteran in Puerto Rico or the Virgin Islands is eligible for unemployment benefits under any other Federal law at a rate of less than $26 (including the amount of dependents' allowance, if any) per week, he may be paid compensation under title IV as a supplement to such benefits only with respect to weeks for which he meets the applicable conditions for payment of benefits and is not disqualified under the unemployment compensation law of the District of Columbia: *Provided, however,* That such veteran may receive the supplement if he is denied benefits under such law because of title IV or any action taken by him under such title or because he is seeking or receiving benefits under any unemployment compensation law.

(c) Compensation under title IV shall not be paid:

(1) For any period with respect to which agency finds that a veteran receives an education and training allowance under subsection (a), (b), (c) or (d) of section 232 of the Veterans' Readjustment Assistance Act of 1952 or a subsistance allowance under part VII or Part VIII of Veterans Regulations Numbered 1 (a), as amended; or

(2) For any period with respect to which the agency finds that a veteran receives additional compensation necessary for his maintenance under section 6(b)(2) of the Federal Employees' Compensation Act (39 Stat. 742), as amended.

§ 607.10 *Disqualifications.* (a) The claim for compensation under title IV of a veteran in Puerto Rico or the Virgin Islands who is not eligible for unemployment benefits under the law of a cooperating State shall be subject to all provisions of the unemployment compensation law of the District of Columbia with respect to disqualifications, except that no such veteran shall be disqualified for compensation under title IV solely because he is seeking or receiving benefits under title IV or any other unemployment compensation law.

(b) The claim for compensation under title IV of a veteran in Puerto Rico or the Virgin Islands who is eligible for unemployment benefits under the law of a cooperating State shall be subject to the applicable State law with respect to disqualifications in the manner provided for in § 606.8 of this chapter.

§ 607.11 *Overpayments.* (a) In cases where a claimant in Puerto Rico or the Virgin Islands who is not eligible for unemployment benefits under the law of a cooperating State and who has received an overpayment of title IV compensation as a result of false statements knowingly made or material facts knowingly withheld as provided for in section 405 (b) of title IV, he shall be liable to repay such outstanding overpayment; or, in the discretion of the agency, there may be offset against any such outstanding overpayment any future compensation payable to him under title IV if the existence of such nondisclosure or misrepresentation has been found by a court of competent jurisdiction or in connection with a reconsideration or appeal: *Provided, however,* That such offset is limited to future compensation payable to him under title IV within the two-year period following such finding.

(b) Except in cases where false statements are knowingly made or material facts are knowingly withheld as provided for in section 405 (b), the unemployment compensation law of the District of Columbia shall determine whether a claimant in Puerto Rico or the Virgin Islands who is not eligible for unemployment benefits under the law of a cooperating State and who has received an overpayment of compensation under title IV which he has not repaid shall receive any future compensation payable under title IV, or shall be liable to repay such overpayment, or whether there shall be permitted an offset of any future compensation payable to him under title IV against such outstanding overpayment, or whether a waiver of such overpayment shall be permitted.

§ 607.12 *Determination.* Promptly after a claimant in Puerto Rico or the Virgin Islands who is not eligible for unemployment benefits under the law of a cooperating State files a claim for compensation under title IV, an officer or employee of the agency in Puerto Rico or the Virgin Islands shall make a determination with respect to whether or not such compensation is payable, and if payable, the week with respect to which payments will commence and the maximum potential duration of such payments. A determination may, for good cause, be reconsidered. The claimant shall be promptly notified of the determination and of any amended determinations and the reasons for any denial of compensation under title IV. If such determination awards compensation under title IV, such compensation shall be paid promptly.

§ 607.13 *Appointment of referees.* The Secretary shall appoint one or more referees in Puerto Rico to hear and decide appealed claims in accordance with this part. The Territorial Representative of the United States Department of Labor shall act as the referee in the Virgin Islands to hear and decide appealed claims in accordance with this part.

§ 607.14 *Filing and perfecting an appeal before a referee.* If his claim is denied, the claimant may appeal from a determination or a reconsidered determination within ten days after the mailing of notice and a copy of such a determination to such claimant's last known address, or, in the absence of mailing, within ten days after delivery thereof to such claimant. Any appeal shall be in writing and may be filed with any office of the appropriate agency.

§ 607.15 *Notice of appeal to referee.* Notice that an appeal has been filed may, in the discretion of the referee, be given or mailed to any person who has offered or is believed to have evidence with respect to the claim.

§ 607.16 *Scheduling and notice of hearing before referee.* Appeals to a referee shall be promptly scheduled and heard. Written notice of hearing, specifying the time and place thereof, and those questions which are known to be in dispute shall be given or mailed to the claimant, the agency, and any person who has offered or is believed to have evidence with respect to the claim seven days or more before the hearing, *Provided, however,* That a shorter notice period may be used if consented to by the claimant.

§ 607.17 *Conduct of hearings.* The proceedings shall be informal, fair and impartial and shall be conducted in such manner as may be best suited to determine the claimant's rights to compensation under title IV. Hearings shall, in the absence of a showing of sufficient cause for a closed hearing, be open to the public. The referee shall open the hearings by ascertaining and summarizing the issue or issues involved in the appeal. The claimant and his representative may examine and cross-examine witnesses, inspect documents, and explain or rebut any evidence. An opportunity to present argument shall be afforded the claimant, which argument shall be made part of the record. Where a claimant is not represented by counsel or other representative, the referee who is conducting the hearing shall give him every assistance that does not interfere with the impartial discharge of his official duties. The referee who is conducting the hearing may examine the claimant and each witness to such extent as he deems necessary. Any issue involved in the claim shall be considered and passed upon even though such issue was not set forth as a ground for appeal.

§ 607.18 *Evidence.* Oral or written evidence of any nature, whether or not conforming to the legal rules of evidence, may be accepted. Any official record of Puerto Rico or the Virgin Islands, including reports submitted in connection with the administration of title IV, may be included in the record: *Provided, however,* That the claimant is given an opportunity to examine and rebut the same. A written statement may be accepted, if under oath or affirmation, when it appears impossible or unduly burdensome to require the attendance of a witness, provided the claimant is given an opportunity to examine such statement and to comment on or to rebut any or all thereof. Whenever possible, the claimant shall be permitted to cross-examine a witness whose testimony has been introduced in written form by written questions to be answered in writing.

§ 607.19 *Record.* All oral testimony shall be taken under oath or affirmation and a transcript thereof shall be made and kept. Such transcript together with all exhibits, papers and requests filed in the proceeding shall constitute the record for decision.

§ 607.20 *Withdrawals.* Any claimant who has filed an appeal may withdraw the same on the approval of the referee before whom the appeal is pending.

§ 607.21 *Non-appearance of claimant.* Failure of a claimant to appear at a hearing shall not result in decision be-

ing automatically rendered against him. The referee who is conducting the hearing shall render a decision on the basis of whatever evidence is properly before him, unless there appears to be good reason for continuing the hearing. Any claimant who fails to appear at a hearing with respect to his appeal may within seven days thereafter petition for a reopening of the hearing. Such petition shall be granted if it appears to the referee who conducted the hearing that the claimant has shown good cause for his failure to attend.

§ 607.22 *Notice of decision of referee.* A copy of the decision together with a statement of the reasons therefor shall promptly be given or mailed to the claimant, the agency, and to the Secretary of Labor of the United States. In the case of a claimant in Puerto Rico, there shall accompany the decision of the referee an explanation of the manner in which, and the time within which, a petition for review or an appeal to the Secretary may be filed. In the case of a claimant in the Virgin Islands, there shall accompany the decision of the referee an explanation of the rights of the claimant to judicial review and the manner in which such judicial review may be instituted.

§ 607.23 *Appeals to the Secretary.* If the decision of the referee in Puerto Rico affirmed or modified the determination, the claimant may appeal to the Secretary. Any such appeal shall be filed with the agency within ten days after the mailing of the notice of decision to such claimant's last known address, or in the absence of such mailing, within ten days after the delivery of such notice. Within the appeal period, the Secretary may on his own motion initiate a review of a decision of a referee.

§ 607.24 *Certification of questions to Secretary.* If, in connection with any proceeding, a referee has serious doubts as to the correctness of any principle declared in any prior decision of the Secretary, he may certify to the Secretary the findings of facts and the questions of law involved in the appeal for a decision by the Secretary with respect to such questions of law as are certified.

§ 607.25 *Removal by the Secretary.* The Secretary may at his own discretion remove to himself the proceedings on any appeal pending before a referee. In addition, if a question of law is certified to him in accordance with § 607.24 the Secretary may at his discretion remove to himself the entire proceedings on the appeal with respect to which the certification was made.

§ 607.26 *Procedures in preparation for review by Secretary.* The Secretary shall notify the claimant and the agency, and may, in his discretion, notify the persons who offered evidence with respect to the claims that an appeal is before the Secretary, or that any question involved therein has been certified to the Secretary, or that review has been initiated by the Secretary on his own motion. Notice of the time and place of any oral hearing or of an opportunity to present further written argument shall be given or mailed to the claimant and the agency seven days or more before the time specified: *Provided, however,* That a shorter notice period may be used if consented to by the claimant.

§ 607.27 *Hearing and review before Secretary.* The hearing of an appeal removed to the Secretary prior to the conclusion of a hearing before a referee, or the hearing of argument in connection with the certification of a question to the Secretary, shall be conducted in the manner prescribed for hearings before a referee. In all cases, review may be upon the record made before the referee, except that the Secretary may, in his discretion, permit argument and may receive or direct the taking of argument or additional evidence, in the manner prescribed by this part for proceedings before a referee.

§ 607.28 *Withdrawals.* Any claimant who has filed an appeal may withdraw the same on approval of the Secretary.

§ 607.29 *Notice of Secretary's decision.* A copy of the decision of the Secretary together with a statement of the reasons therefor shall promptly be given or mailed to the claimant, the agency, and to the Secretary of Labor of the United States. There shall accompany such decision an explanation of the rights of the claimant to judicial review and the manner in which judicial review may be instituted.

§ 607.30 *General provisions applicable to proceedings before referee or Secretary.* (a) A referee or the Secretary before whom the appeals are pending may consolidate the appeals of more than one claimant and conduct joint hearings thereon where the same or substantially similar evidence is relevant and material to the matters in issue. Reasonable notice of consolidation and the time and place of hearing shall be given or mailed to the claimants or their representatives, the agency, and to persons who have offered or are believed to have evidence with respect to the claims.

(b) In any proceedings before a referee or the Secretary, the claimant may be represented by counsel or other representative. Any such representative may appear at any hearing or take any other action which the claimant may take under this part. The referee or the Secretary may for cause bar any person from representing a claimant, in which event such action shall be set out in the record of the proceedings. No representative shall charge a claimant more than an amount fixed by the referee or the Secretary, for representing him in any proceeding under this part.

(c) Any hearing before a referee or the Secretary shall be postponed, continued or adjourned when such action is necessary to afford the claimant a reasonable opportunity for a fair hearing. In the event of any such action notice of the time and place of the subsequent hearing shall be given any person who received notice of the prior hearing.

(d) Information, either from the records or obtained in any proceedings herein provided for, shall be available to a claimant to the extent necessary for the proper presentation of his case. All requests for such information shall state, as clearly as possible, the nature of the information desired and shall, unless made at a hearing, be in writing.

(e) Copies of all decisions of a referee in Puerto Rico and of the Secretary shall be kept on file at the office of the Secretary. Copies of all decisions of the referee in the Virgin Islands shall be kept on file at his office in the Virgin Islands.

Effective date. This part shall take effect on October 15, 1952.

Signed at Washington, D. C., this 9th day of September 1952.

MAURICE J. TOBIN,
Secretary of Labor.

[F. R. Doc. 52-10129; Filed, Sept. 16, 1952; 8:54 a. m.]

PART 608—REGULATIONS TO IMPLEMENT TITLE IV OF THE VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952 (IN STATES WHICH HAVE NO AGREEMENT WITH THE SECRETARY OF LABOR)

Pursuant to the authority vested in me by section 402 (a) of the Veterans' Readjustment Assistance Act of 1952 (Pub. Law 550, 82d Cong., 66 Stat. 663), the following regulations are prescribed:

Sec.
608.1 Definitions.
608.2 Effective date of program.
608.3 Determination of veteran status under title IV.
608.4 Constructive eligibility.
608.5 Applicable State law.
608.6 Waiting period.
608.7 Compensation for weeks of unemployment.
608.8 Nonduplication of benefits under State or Federal law.
608.9 Applicability of State disqualifications.
608.10 Overpayments.
608.11 Filing of claims.
608.12 Determinations.
608.13 Appointment of referees.
608.14 Filing and perfecting an appeal before a referee.
608.15 Notice of appeal to referee.
608.16 Scheduling and notice of hearing before referee.
608.17 Conduct of hearings.
608.18 Evidence.
608.19 Record.
608.20 Withdrawals.
608.21 Non-appearance of veteran.
608.22 Notice of decision of referee.
608.23 Consolidation.
608.24 Representation of veteran.
608.25 Postponement or adjournment.
608.26 Information.
608.27 Copies of decisions.

AUTHORITY: §§ 608.1 to 608.27 issued under sec. 402, Pub. Law 550, 82d Cong.

§ 608.1 *Definitions.* The definitions of § 606.1 of this chapter,[1] shall apply to this part.

§ 608.2 *Effective date of program.* Compensation under title IV shall be payable for weeks of unemployment beginning after October 14, 1952, as specified in § 606.2 of this chapter.

§ 608.3 *Determination of veteran status under title IV.* (a) If the agency of the State whose law is applicable in accordance with § 606.5 of this chapter

[1] See F. R. Doc. 52-10128, *supra.*

does not have an agreement with the Secretary, a representative of the Secretary shall determine an individual's status as a veteran under title IV when the individual files his first request for such determination. Such a determination shall be subject to redetermination or modification only in accordance with §§ 608.12 through 608.25 even if additional evidence is adduced after the individual has moved to another State. A status determination by any State shall be binding on the Secretary and his representatives.

(b) Section 606.3 (b) of this chapter shall apply to this part.

§ 608.4 *Constructive eligibility.* Section 606.4 of this chapter shall apply to this part.

§ 608.5 *Applicable State law.* (a) Section 606.5 (a) and (b) of this chapter shall apply to this part.

(b) When a veteran's claim for compensation under title IV is transferred to the Secretary, the Secretary or his representatives shall make no determination of the veteran's rights to such compensation and shall pay no such compensation with respect to any period for which the State from which the claim is transferred has previously made a determination.

(c) When title IV compensation is payable by the Secretary under this part, such compensation shall be paid in accordance with the applicable State law, except for the weekly amount and maximum potential duration of such compensation and subject to §§ 608.6, 608.7, 608.8, 608.9, and 608.10.

§ 608.6 *Waiting period.* Section 606.6 of this chapter shall apply to this part.

§ 608.7 *Compensation for weeks of unemployment.* Section 606.7 of this chapter shall apply to this part.

§ 608.8 *Nonduplication of benefits under State or Federal law.* Section 606.8 of this chapter shall apply to this part.

§ 608.9 *Applicability of State disqualifications.* Section 606.9 of this chapter shall apply to this part.

§ 608.10 *Overpayments.* Section 606.10 of this chapter shall apply to this part.

§ 608.11 *Filing of claims.* In States which have no agreement with the Secretary of Labor, an individual may file a claim for compensation under title IV with such persons and at such places as shall be designated by the Secretary.

§ 608.12 *Determinations.* Whenever in accordance with the foregoing regulations the Secretary has jurisdiction to make a determination of entitlement to compensation under title IV, he or his representative shall promptly make a determination with respect to whether or not such compensation is payable and if payable the week with respect to which payments will commence and the maximum potential duration of such payments. A determination may, for good cause, be reconsidered. The claimant shall be promptly notified of the determination and of any amended determinations and the reasons for any denial of compensation under title IV. If such determination awards compensation under title IV, such compensation shall be paid promptly.

§ 608.13 *Appointment of referees.* The Secretary shall appoint one or more referees to hear and decide appealed claims in accordance with this part.

§ 608.14 *Filing and perfecting an appeal before a referee.* If his claim is denied, the claimant may appeal from a determination or a reconsidered determination within ten days after the mailing of notice and a copy of such a determination to such claimant's last known address, or, in the absence of mailing, within ten days after delivery thereof to such claimant. Any appeal shall be in writing and may be filed with any office designated by the Secretary.

§ 608.15 *Notice of appeal to referee.* Notice that an appeal has been filed may, in the discretion of the referee, be given or mailed to any person who has offered or is believed to have evidence with respect to the claim.

§ 608.16 *Scheduling and notice of hearing before referee.* Appeals to a referee shall be promptly scheduled and heard. Written notice of hearing, specifying the time and place thereof, and those questions which are known to be in dispute shall be given or mailed to the claimant, and any person who has offered or is believed to have evidence with respect to the claim seven days or more before the hearing; *Provided, however,* That a shorter notice period may be used if consented to by the veteran.

§ 608.17 *Conduct of hearings.* The proceedings shall be informal, fair and impartial and shall be conducted in such manner as may be best suited to determine the claimant's rights to compensation under title IV. Hearings shall, in the absence of a showing of sufficient cause for a closed hearing, be open to the public. The referee shall open the hearings by ascertaining and summarizing the issue or issues involved in the appeal. The claimant and his representative may examine and cross-examine witnesses, inspect documents, and explain or rebut any evidence. An opportunity to present argument shall be afforded the claimant, which argument shall be made part of the record. Where a claimant is not represented by counsel or other representative, the referee who is conducting the hearing shall give him every assistance that does not interfere with the impartial discharge of his official duties. The referee who is conducting the hearing may examine the claimant and each witness to such extent as he deems necessary. Any issue involved in the claim shall be considered and passed upon even though such issue was not set forth as a ground for appeal.

§ 608.18 *Evidence.* Oral or written evidence of any nature, whether or not conforming to the legal rules of evidence, may be accepted. Any official record of a State or the United States, including reports submitted in connection with the administration of title IV, may be included in the record: *Provided, however,* That the claimant is given an opportunity to examine and rebut the same. A written statement may be accepted, if under oath or affirmation, when it appears impossible or unduly burdensome to require the attendance of a witness, provided the claimant is given an opportunity to examine such statement and to comment on or to rebut any or all thereof. Whenever possible, the claimant shall be permitted to cross-examine a witness whose testimony has been introduced in written form by written questions to be answered in writing.

§ 608.19 *Record.* All oral testimony shall be taken under oath or affirmation and a transcript thereof shall be made and kept. Such transcript together with all exhibits, papers and requests filed in the proceeding shall constitute the record for decision.

§ 608.20 *Withdrawals.* Any claimant who has filed an appeal may withdraw the same on the approval of the referee before whom the appeal is pending.

§ 608.21 *Non-appearance of veteran.* Failure of a claimant to appear at a hearing shall not result in a decision being automatically rendered against him. The referee who is conducting the hearing shall render a decision on the basis of whatever evidence is properly before him, unless there appears to be good reason for continuing the hearing. Any claimant who fails to appear at a hearing with respect to his appeal may within seven days thereafter petition for a reopening of the hearing. Such petition shall be granted if it appears to the referee who conducted the hearing that the claimant has shown good cause for his failure to attend.

§ 608.22 *Notice of decision of referee.* A copy of the decision together with a statement of the reasons therefor shall promptly be given or mailed to the claimant and to the Secretary. There shall accompany the decision of the referee an explanation of the rights of the claimant to judicial review and the manner in which such judicial review may be instituted.

§ 608.23 *Consolidation.* A referee before whom the appeals are pending may consolidate the appeals of more than one claimant and conduct joint hearings thereon where the same or substantially similar evidence is relevant and material to the matters in issue. Reasonable notice of consolidation and the time and place of hearing shall be given or mailed to the claimants or their representatives, and to persons who have offered or are believed to have evidence with respect to the claims.

§ 608.24 *Representation of veteran.* In any proceeding before a referee the claimant may be represented by counsel or other representative. Any such representative may appear at any hearing or take any other action which the claimant may take under this part. The referee may for cause bar any person from representing a claimant, in which event such action shall be set out in the record of the proceedings. No representative shall charge a claimant more than such amount as is fixed by the referee,

for representing him in any proceeding under this part.

§ 608.25 *Postponement or adjournment.* Any hearing before a referee shall be postponed, continued or adjourned when such action is necessary to afford the claimant a reasonable opportunity for a fair hearing. In the event of any such action notice of the time and place of the subsequent hearing shall be given any person who received notice of the prior hearing.

§ 608.26 *Information.* Information, either from the records or obtained in any proceeding provided for in this part, shall be available to a claimant to the extent necessary for the proper presentation of his case. All requests for such information shall state, as clearly as possible, the nature of the information desired and shall, unless made at a hearing, be in writing.

§ 608.27 *Copies of decisions.* Copies of all decisions of a referee shall be kept on file at the office of the Secretary.

Effective date of regulations. This part shall take effect on October 15, 1952.

Signed at Washington, D. C., this 9th day of September 1952.

MAURICE J. TOBIN,
Secretary of Labor.

[F. R. Doc. 52-10130; Filed, Sept. 16, 1952; 8:54 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 69, Revision 1, Amdt. 4]

CPR 69—FOOD PRODUCTS SOLD IN THE TERRITORY OF HAWAII

CEILING PRICES FOR THE SALE OF ISLAND BEEF AND OFFAL IN THE TERRITORY OF HAWAII

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Amendment 4 to Ceiling Price Regulation 69, Revision 1, is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment to Ceiling Price Regulation 69, Revision 1, establishes dollar and cent ceiling prices for sales in the Territory of Hawaii of beef and offal derived from the slaughter of bovine animals in the Territory of Hawaii. Ceiling prices are established at the wholesale and retail levels.

Sales of island beef and offal have been covered by the General Ceiling Price Regulation. At the time of the "general freeze," prices had advanced on some of the islands but not on the others, thereby distorting the distribution pattern for island beef, a condition which was alleviated somewhat by the issuance of Supplementary Regulation 97 to the GCPR.

This amendment adds a new Article VII to Ceiling Price Regulation 69, Revision 1. Dollar and cent ceiling prices are established for sale of island beef carcasses. In addition, dollar and cent ceiling prices are established at wholesale and retail for island beef cuts and offal when sold in the Territory of Hawaii. The prices as specified reestablish the historic 2½ cent differential for wholesale beef between the Island of Oahu and all other islands, and maintain the distinction and normal price differential which exists between the beef of steers and heifers and that of cows and bulls.

A provision is also included to allow wholesalers to add $3.50 per hundredweight on sales of island beef to commercial, industrial, and institutional users. A method is provided whereby sellers may make application to the Director of the Office of Price Stabilization for prices on unlisted cuts. Pending determination of ceiling prices for such unlisted cuts, a seller may continue to use his ceiling price established under the General Ceiling Price Regulation until the Director of Price Stabilization, by order, establishes his new ceiling price.

Selling prices at retail of each cut of island beef must be posted in a conspicuous place on or near the meat counter.

In the judgment of the Director of Price Stabilization, the ceiling prices established by this regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended.

So far as practicable, the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objective of the Defense Production Act of 1950, as amended; to prices prevailing during the period from May 24 to June 24, 1950, inclusive; to prices prevailing January 25 to February 24, 1951, inclusive, and to prices prevailing just before the issuance of this regulation; and to relevant factors of general applicability.

In the formulation of this regulation, there has been consultation with industry representatives including trade association representatives, and consideration has been given to their recommendations. Every effort has been made to conform this regulation to existing business practices, but insofar as any provision of this regulation may operate to compel changes therein, such provisions are found by the Director of Price Stabilization to be necessary to prevent circumvention or evasion of this regulation.

AMENDATORY PROVISIONS

1. Ceiling Price Regulation 69, Revision 1, is amended by adding a new article, Article VII—Island Beef Prices, following Article VI, as follows:

ARTICLE VII—ISLAND BEEF PRICES

Sec.

7.1 What this article does.
7.2 Ceiling prices for island beef carcasses.
7.3 Ceiling prices at wholesale for island beef cuts.
7.4 Ceiling prices for island beef offal at wholesale and retail.
7.5 Ceiling prices for island beef cuts at retail.
7.6 Wholesale ceiling prices to commercial, industrial, or institutional users.
7.7 Cuts other than those described in this regulation.
7.8 Posting.
7.9 Territorial tax on retail sales of island beef and offal.
7.10 Definitions.
Appendix—Beef cutting charts

AUTHORITY: Sections 7.1 to 7.10 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Sup. 2101-2110, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

ARTICLE VII—ISLAND BEEF PRICES

SEC. 7.1. *What this article does.* This article of the regulation establishes ceiling prices for island beef and offal when sold at wholesale and retail in the Territory of Hawaii.

SEC. 7.2. *Ceiling prices for island beef carcasses.* Ceiling prices for sales of island beef carcasses per cwt., in the Territory of Hawaii, are as follows:

[Per hundredweight]

	Steer	Heifer	Cow	Bull
	Oahu			
Full carcass	$52.50	$51.50	$46.50	$45.50
Side	52.50	51.50	46.50	45.50
Hind quarter	57.75	56.65	51.15	50.05
Fore quarter	48.30	47.38	42.78	41.86
	Outer islands			
Full carcass	$50.00	$49.00	$44.50	$43.50
Side	50.00	49.00	44.50	43.50
Hind quarter	55.00	53.90	48.95	47.85
Fore quarter	46.00	45.08	40.94	40.02

SEC. 7.3. *Ceiling prices at wholesale for island beef cuts.* Ceiling prices of island beef cuts per cwt., for sales at wholesale in the Territory of Hawaii, are as follows:

[Per hundredweight]

	Oahu		Outer Islands	
	Steer and heifer	Cow and bull	Steer and heifer	Cow and bull
Round	$63.00	$55.80	$60.00	$53.40
Untrimmed loin	58.00	51.38	55.25	49.17
Trimmed loin	91.87	81.38	87.50	77.88
Head loin (sirloin)	80.00	70.87	76.20	67.82
Short loin	95.00	84.14	90.48	80.52
Flank	32.02	28.36	30.05	27.14
Rib	63.00	55.80	60.00	53.40
Regular chuck (square cut)	56.70	50.22	54.00	48.06
Short plate	34.65	30.69	33.00	29.37
Brisket	42.00	37.20	40.00	35.60
Fore shank	31.50	27.90	30.00	26.70
Cross cut chuck	51.45	45.57	49.00	43.61
Back	59.32	52.54	56.50	50.28
Triangle	48.82	43.24	46.50	41.38
Arm chuck	53.55	47.43	51.00	45.39
Long plate	37.63	32.75	35.60	31.13

SEC. 7.4. *Ceiling prices for island beef offal at wholesale and retail.* Ceiling prices for the sale of island beef offal at wholesale and retail in the Territory of Hawaii, are as follows:

	Wholesale	Retail
Edible offal:		
Liver, lb	$0.55	$0.89
Tongue, lb	.37	.65
Heart, lb	.29	.45
Tripe, lb	.22	.35
Brains, set	.22	.35
Kidneys, lb		.45
Cheeks, lb	.30	.50
Lungs, lb	.10	.15
Melts, lb	.10	.15
Trimmings, lb	.29	.49
Inedible offal:		
Meat and bone meal, ton	120.00	
Dried blood, ton	120.00	
Condemned offal (dog food), lb	.25	

SEC. 7.5. *Ceiling prices for island beef cuts at retail.* Ceiling prices for island beef per pound when sold at retail in the Territory of Hawaii, by class, are as follows:

	Oahu		Outer Islands	
	Class I (steer and heifer)	Class II (cow and bull)	Class I (steer and heifer)	Class II (cow and bull)
Sirloin steak	$0.99	$0.88	$0.98	$0.87
Sirloin tip (boned roast or steak)	1.05	.94	1.00	.89
Pin bone sirloin steak	.97	.86	.95	.84
Porterhouse steak	1.10	.98	1.00	.89
Cube steak	.98	.98	.92	.92
T-Bone steak	1.01	.90	.98	.87
Club steak	1.01	.90	.98	.87
Round steak	.98	.87	.92	.81
Heel of round	.89	.78	.89	.78
Boneless cross rib	.99	.88	.98	.87
Boneless rump	.98	.87	.90	.80
Bone in rump	.80	.69	.72	.62
Flank steak	.98	.87	.90	.80
Flank stew	.75	.75	.75	.75
Boneless stew	.81	.81	.78	.78
Rib 7" (roast or steak)	.89	.79	.89	.79
Rib 10" (roast or steak)	.81	.71	.81	.71
Rib-blade 2 ribs	.75	.65	.73	.66
Short ribs	.72	.62	.72	.65
Chuck blade, 1 rib	.70	.61	.70	.61
Boneless chuck roast	.89	.81	.87	.79
Chuck steak and chuck pot roast	.79	.71	.79	.71
Round bone chuck	.79	.71	.79	.71
Boneless neck	.81	.81	.78	.78
Hamburger	.69	.69	.59	.59
Lean ground beef	.81	.81	.69	.69
Shank meat, hind and fore	.69	.69	.63	.63
Brisket, bone in	.65	.60	.55	.52
Brisket, boneless	.81	.75	.72	.64
Plate, bone in	.47	.42	.47	.42
Plate, boneless	.58	.52	.58	.53
Lean trimmings	.68	.68	.65	.65
Soup bones	.10	.10	.10	.10

SEC. 7.6. *Wholesale ceiling prices to commercial, industrial, or institutional users.* Wholesalers of island beef may add $3.50 per cwt. to the ceiling prices listed in section 7.3 when selling to commercial, industrial, or institutional users.

SEC. 7.7. *Cuts other than those described in this regulation.* If you desire to sell cuts other than those listed in this regulation, you must apply to the Director of the Hawaii Office of the Office of Price Stabilization. Your application must be signed and must contain the following information:

(a) Your business name and address.

(b) The name of the cut or cuts for which you seek a ceiling price.

(c) Description of the preparation of the cut or cuts.

(d) Type of wrapping or packaging, if any.

(e) GCPR ceiling price or prices for sales to the class or classes of purchaser to whom you sell.

(f) Proposed ceiling price or prices.

(g) A brief statement of the reason you believe your proposed price or prices are in line with other ceiling prices established by this regulation.

(h) The estimated quantity of the cut or cuts which you will sell during the current calendar year.

You may not sell any cut not listed in this regulation at a price higher than your General Ceiling Price Regulation ceiling price until the Director of Price Stabilization has, by order, established your new ceiling price for the sale of such cuts.

SEC. 7.8. *Posting.* Every person offering to sell island beef at retail shall plainly mark the selling price, name of the cut, and class (i. e., Class I or Class II) of the island beef either on the commodity itself or on the tray or shelf on which it is displayed. In addition, you shall post in a conspicuous place on or near the meat counter the list of prices contained in section 7.5 of this regulation.

SEC. 7.9. *Territorial taxes on retail sales of island beef and offal.* Ceiling prices established by this regulation for the retail sale of island beef and offal in the Territory of Hawaii, include all taxes levied on or incident to a retail sale in the Territory of Hawaii. Therefore, notwithstanding the provisions of section 1.5 of this regulation, no amount in addition to the ceiling prices established by this article may be charged, paid, or received for taxes.

SEC. 7.10 *Definitions*—(a) *General.* (1) "Island beef" means meat from the carcasses of bovine animals exceeding 200 pounds, live weight, slaughtered in the Territory of Hawaii.

(2) "Classes" of island beef:

(i) At wholesale there are four classes:

(*a*) Steer beef is beef produced from the slaughter of a male bovine animal which has been castrated before reaching sexual maturity.

(*b*) Heifer beef is the beef produced from the slaughter of a female bovine animal which has not produced a calf.

(*c*) Cow beef is the beef produced from the slaughter of a female bovine animal which has produced a calf.

(*d*) Bull beef is beef produced from the slaughter of an adult male bovine animal uncastrated, or castrated after reaching maturity.

(ii) At retail there are two classes:

(*a*) Class I beef is beef derived from steer or heifer carcasses.

(*b*) Class II is beef derived from cow or bull carcasses.

(3) "Wholesaler" means a person or a firm engaged in buying beef or cattle from producers or other wholesalers and reselling the beef to retailers.

(b) *Wholesale beef definition.* (1) "Beef Carcass" means, and is limited to, two sides of beef or two hind quarters and two fore quarters derived from the same beef animal and shall be dressed in the following manner: The head shall be removed by disjointing at the socket joint. The front feet shall be detached at the lower knee joint and the hind legs shall be detached at the hock joint. The belly shall be opened by cutting or sawing through the aitch bone down the belly at the center of the sternum bone and continuing through the sternum bone to the neck. All the viscera not including the kidneys and the kidney fat shall be removed. The heart fat, caul fat and the sweetbreads from the neck shall be removed. The tail shall be left on one side of the carcass. In dressing cows, the udders shall be entirely removed and in dressing steers, and bulls, the entire genito-urinary tract shall be removed. The carcass shall be separated into two sides by splitting or sawing the chine bones as nearly as possible to the center of the spinal column so that the spinal cord is fully exposed. The muscular portion of the skirt (diaphragm) shall be left attached to the carcass but the non-muscular part shall be trimmed to leave no more than one-half inch of it remaining to the red muscle meat. The hanging tender shall be left on the carcass. The inside and outside of the carcass shall be thoroughly cleaned by washing. A beef carcass shall not be broken in any other manner.

(2) "Side of beef" means a hindquarter and forequarter, separated or attached, which are derived from one side of the beef animal.

(3) "Beef wholesale cut" means and is limited to any of the following cuts defined in this paragraph meeting the following minimum specifications, derived from the beef carcass but excludes the offal and any item not included herein.

(4) "Hindquarter" means the posterior portion of the side remaining after severance from the forequarter made by cutting the beef side between the twelfth and thirteenth rib leaving one rib on the hindquarter and will comprise the round full loin including the thirteenth rib, flank, kidney and hanging tender all in one piece.

(5) "Forequarter" means the anterior portion of the side remaining after the severance of the hindquarter and comprises the rib, regular chuck, brisket, short plate and foreshank, all in one piece which anterior portion contains the first to twelfth ribs.

(6) "Round" means that portion of the hindquarter remaining after the severance of untrimmed full loin from the hindquarter and shall be made by cutting on a straight line from that point on the back bone which is the juncture of the last sacral vertebra and the first tail vertebra, and which just misses the end of the protuberance of the femur bone and continues in the same straight line to complete the cut.

(7) "Trimmed full loin" means that portion of the hindquarter remaining after the severance of the round, flank, hanging tender (from the open side), kidney knob and excess loin and pelvic fat from the inside of the loin and comprising the short loin and sirloin (loin end) in one piece, and shall be cut beginning at the 13th rib, 10" from the thoracic vertebrae and continuing in a straight line to the ventral point where the loin is separated from the round.

(8) "Flank" means that portion of the hindquarter remaining after the severance of the round and untrimmed loin from the hindquarter.

(9) "Short loin" means that portion of the trimmed full loin after the severance of the sirloin made by cutting from the juncture on the chine bone of the fifth and sixth lumbar vertebra and continuing in a straight line perpendicular to the contour of the outside skin surface of the trimmed loin to and through a point flush against the end of the hip bone, but leaving no part of the hip bone in the short loin.

(10) "Sirloin" (loin end or head loin) means the thick portion of the trimmed full loin remaining after severance of the short loin.

(11) "Cross cut chuck" means that portion of the forequarter remaining after the severance of the rib and short plate by cutting between the fifth and the sixth ribs on a straight line from the chine bone through the plate and comprises the regular chuck, brisket and fore shank all in one piece.

(12) "Regular chuck" means that portion of the cross cut chuck remaining after the severance of the brisket and fore shank from the cross cut chuck.

(13) "Brisket" means that portion of the cross cut chuck remaining after the severance of the regular chuck and fore shank from the cross cut chuck which portion contains parts of four ribs and rib cartilages which connect the ends of the rib bone with the breast bone.

(14) "Rib" means that portion of the forequarter remaining after the severance of the cross cut chuck and short plate from the forequarters and contains parts of seven ribs (6th to 12th inclusive) and shall be cut 10 inches from the inside of the thoracic vertebra to the end of the ribs. NOTE: The 10-inch measurement shall be made from the center of the protruding edge of the sixth and twelfth thoracic vertebra and not from the hollow of the chine bone.

(15) "Short plate" means the portion of the forequarter remaining after the severance of the cross cut chuck and the rib from the forequarter.

(16) "Fore shank" means that portion of the cross cut chuck remaining after the severance of the regular chuck and brisket from the forequarter.

(17) "Triangle" means that portion of the forequarter remaining after the severance of the rib. It includes the short plate, brisket, fore shank, and the regular chuck.

(18) "Long plate" means the short plate and brisket in one piece.

(19) "Back" means that portion of the forequarter remaining after the severance of the short plate, brisket, and fore shank and contains the rib and regular chuck all in one piece.

(20) "Arm chuck" means that portion of the cross cut chuck remaining after the severance of the brisket from the cross cut chuck and containing the regular chuck and fore shank all in one piece.

(21) "Untrimmed loin" means that portion of the hindquarter remaining after the severance of the round. It shall include the kidney.

(c) *Retail beef definitions.* (1) "Sirloin" or "pinbone" steak (bone in) is made from the standard primal sirloin (loin end). All fat exceeding one inch in thickness shall be trimmed from this steak.

(2) "Sirloin Tip" is that portion of meat on the hindquarter extending from the knee cap and between the top and bottom round muscles of the leg to the ball of femur, and then at right angle to the flank side of the loin.

(3) "Porterhouse" steak is made from the standard primal short loin. Porterhouse steaks contain a large portion of the tenderloin. It is cut from the short loin from a point opposite the center of the fourth lumbar vertebrae to the juncture of the chine bone of the fifth and sixth lumbar vertebrae. All fat exceeding one inch in thickness shall be trimmed from the steaks.

(4) "T-bone steak" means steak cut from that portion of a short loin extending from a point opposite the center of the fourth lumbar vertebrae to a point opposite the juncture of the first and second lumbar vertebrae.

(5) "Club steaks" are the remaining portion of the short loin after the T-bone and porterhouse steaks are removed.

(6) "Cube steak" means the lean muscle meat made from the sirloin tip, the boneless sirloin, the top round, and the bottom round and scored in accordance with the normal business practice. This steak must be free from all fat except marbling.

(7) "Round steak" (bone in), full cut, includes a part of the top round, the bottom round, and the eye of the round and round bone. Round steaks (full cut) shall contain the round bone but no part of the knee cap or knuckle bone. All fat exceeding one inch in thickness shall be trimmed from this steak. It may be cut into two or more pieces before selling. It may be ground after being weighed and sold.

(8) "Heel of round." The heel of round may be separated from the hind shank; however, it does not include the front muscle of the shin bone. It may be ground after being weighed and sold.

(9) "Bone in rump," called the standing rump, is removed from the standard round by cutting perpendicular to the outside surface of the round one-half inch from the parallel with the aitch bone. The bone in rump contains part of the aitch bone, but none of the tail vertebrae, the rump knuckle and socket. All fat must be trimmed to one inch or less in thickness.

(10) "Boneless rump" is the meat remaining after all the bones, cartilage and gristle have been removed from the bone in rump (standing rump) and all fat has been trimmed to one inch, or less in thickness. This cut may be rolled and tied.

(11) "Hind shank" (bone in), is the section of the round remaining after the rump, round steaks (or tips, inside and outside), heel or round, knee joint, and hock have been removed.

(12) "Foreshank." The foreshank is the hock or knee joint removed from the primal cut foreshank.

(13) "Flank steak" is made from the standard wholesale beef flank. All membrane must be removed from this steak. The steak must not be cut into more than two pieces before selling.

(14) "Flank stew" (boneless) is the meat remaining after the flank steak, bone, gristle, membrane and cod fat have been removed from the primal cut.

(15) "Rib" may be either steaks or roasts and is from the primal rib after the blade bone or blade cartilage has been removed. It must not exceed 10 inches for the 10" cut, and 7 inches for the 7" cut. All external fat must be trimmed to one inch or less.

(16) "Rib blade" (2 ribs) is from the lower side of the cross rib between cross rib and brisket. It shall be trimmed of excess fat and include 2 ribs.

(17) "Chuck blade" (1 rib) or blade pot roast is made from the blade bone portion of the standard primal chuck. No portion of the arm knuckle shall be included.

(18) "Chuck steak" is made from the standard primal chuck. All fat exceeding one inch in thickness must be removed from this steak.

(19) "Round bone chuck," also called chuck pot roast, cross rib, or shoulder clod, is made from the shoulder round bone portion of the standard primal chuck. No portion of the arm knuckle is included in the round bone chuck.

(20) "Boneless neck" is the meat remaining after the bone, cartilage, fat, tendon gristle, and throat trimmings have been removed from the neck. It may be sold as ground beef, hamburger or boneless stew beef.

(21) "Boneless brisket" means that part of the brisket remaining after all bones, intercostal meat, and deckle have been removed, and exposing the lean meat surface lying directly below.

(22) "Plate," boneless, refers to the boneless meat of the primal plate after all bone, gristle, cartilage, membrane, and excess fat have been removed.

(23) "Plate," bone in, is made from the standard primal plate without removing the bones.

(24) "Trimmings" means any pieces of meat derived from the beef carcass in connection with the production of wholesale cuts, fabricated cuts or boneless beef, and which does not include in excess of 24 per cent trimmable fat. Trimmings are to be free from bones, splinters, gristle, blood clots and bruises.

(25) "Lean ground beef" means ground, chopped, or comminuted fresh beef derived from the skeletal portion of the dressed carcass (but not including head-meat) which contains no offal, added blood, cartilage, bone, cereal product, water or ice, or any adulterant or other foreign substance except seasoning, and which does not have a fat content in excess of 15 per cent by chemical analysis. Ground beef shall be ground twice.

(26) "Hamburger" means ground beef which has a fat content of more than 15 per cent but less than 25 percent.

(27) "Chuck pot roast," bone in, is made from the blade bone, English cut, or arm bone portion of the standard primal chuck. All fat shall be trimmed to one inch or less in thickness.

(28) "Short ribs" are the ends of the ribs which are removed when making a 7-inch rib.

(29) "Boneless cross rib," (also called boneless chuck, boneless clod), means the upper half of the chuck with the neck off. It shall include only the first five ribs and shall not include the blade knuckle or any part of the blade bone.

(30) "Boneless stew" is made from fresh beef including skirt, brisket, flank, shank, neck, plate, heel of round and other beef trimmings. It shall not contain more than 15 percent fat.

(d) *Definitions of island offal.* (1) "Edible offal" means eatable animal organs such as liver, heart, kidney, tripe, brain, and tongue.

(2) "Inedible offal" means animal organs, gristle, bones, tallow, hide, blood, hooves, and other parts of the animal not eaten by humans. It also includes edible offal such as livers which have been condemned for use as human food.

(3) "Liver" means all beef livers of any weight, bright and uniform in color, free from mutilations. The large blood vessel lying along the side of the liver should be trimmed even with the surface of the liver.

(4) "Tongue" means the tongues from cattle, cut off at a point that leaves the epiglottis on the tongue. The entire gullet, including the soft palate shall be removed and the hinge bone shall not protrude over the end of the tongue.

(5) "Heart" means bright colored beef hearts, free from blood clots, trimmed free from large gristly blood vessels.

(6) "Tripe" means tripe which has been thoroughly cooked by boiling in water, scalding, or any other good commercial method.

(7) "Brains" means both brain lobes, the small knob at the base of the brain and a short piece of spinal cord approximately three quarters of an inch in length.

(8) "Kidney" means kidneys free from spots and reasonably free from fat. They shall be sold with the carcass when the carcass is sold by the side or quarter.

(9) "Dog food" includes edible offal and meat items which have been declared unfit for human consumption.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This Amendment 4 to Ceiling Price Regulation 69, Revision 1 is effective September 22, 1952.

NOTE: The record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

JOSEPH H. FREEHILL,
Acting Director of Price Stabilization.

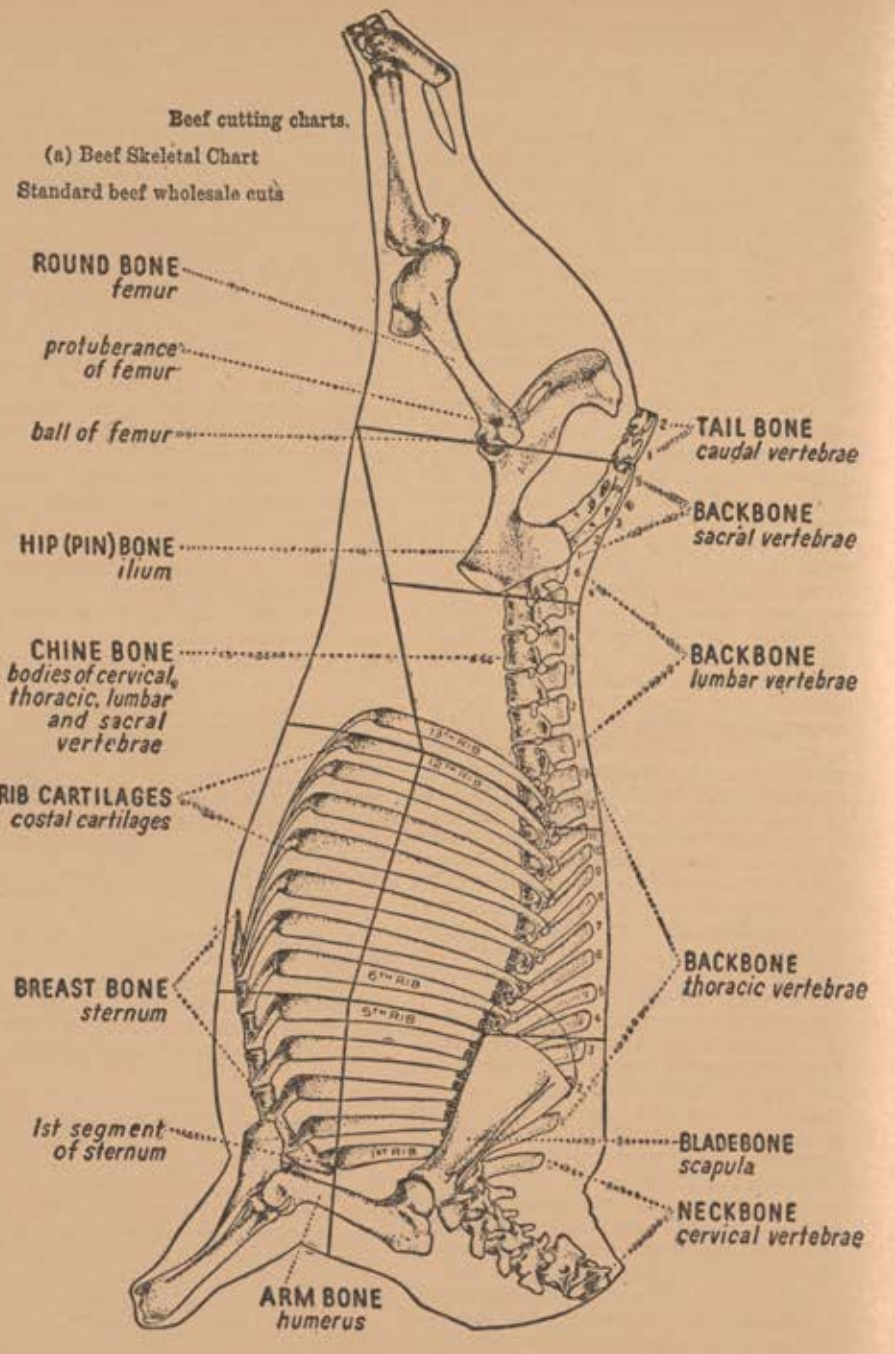
SEPTEMBER 16, 1952.

Appendix—Beef cutting chart.

Beef cutting charts.

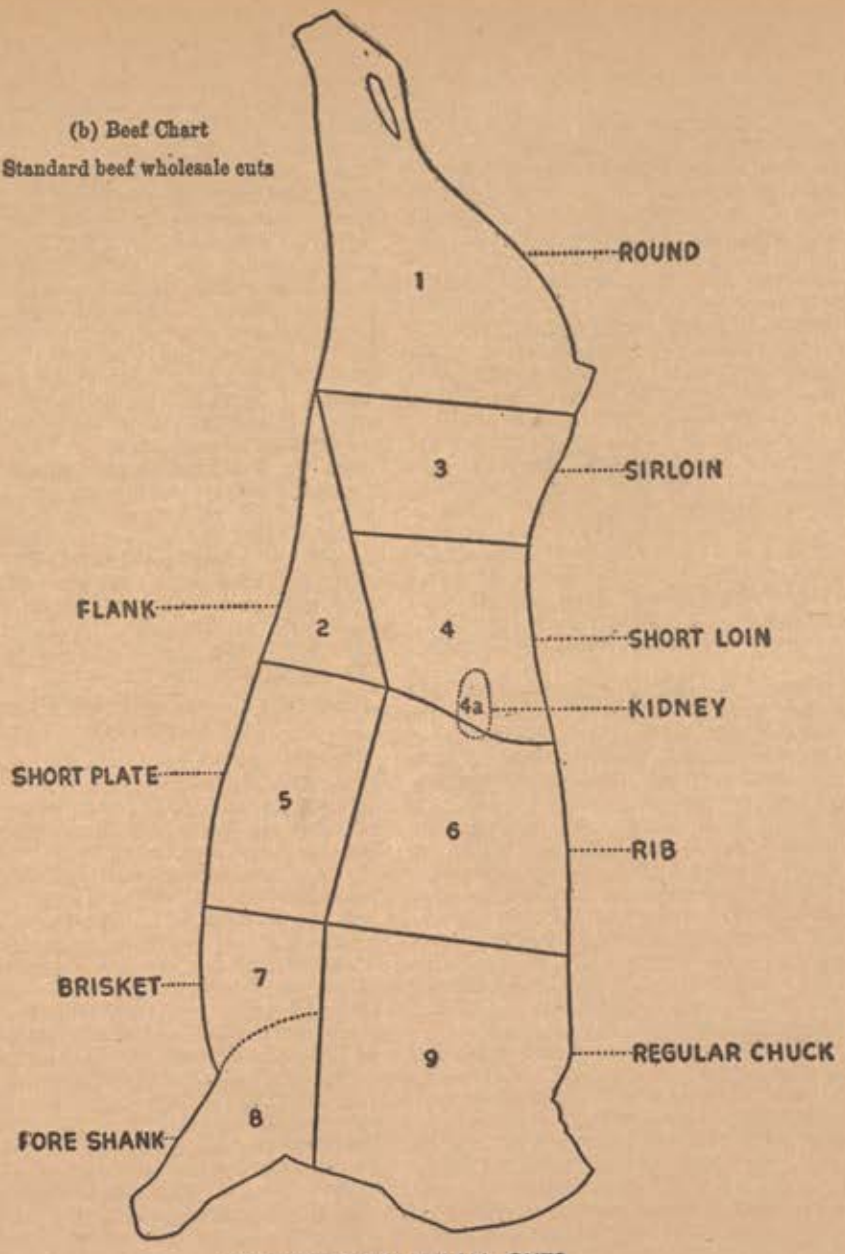
(a) Beef Skeletal Chart

Standard beef wholesale cuts



(b) Beef Chart

Standard beef wholesale cuts



COMBINATION PRIMAL CUTS

3, 4.....TRIMMED FULL LOIN
7, 8, 9....CROSS CUT CHUCK (KOSHER OR TRAEFER)
6, 9.....BACK
5, 7, 8, 9..TRIANGLE (KOSHER OR TRAEFER)
8, 9.....ARM CHUCK

[F. R. Doc. 52-10217; Filed, Sept. 16, 1952; 10:51 a. m.]

[General Overriding Regulation 10, Amdt. 5]

GOR 10—Adjustments of Ceiling Prices for Manufacturers

Allocation of Central Office Expenses in Adjustments for a Separate Plant or Factory

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 and Economic Stabilization Agency General Order No. 2, this Amendment to General Overriding Regulation 10 is hereby issued.

Statement of Considerations

GOR 10 has heretofore provided that a manufacturer may file an application for adjustment if his existing ceilings would require him to operate at a loss with respect to the manufacturing operations either for his entire business or for a separate plant or factory, but that no portion or pro ration of central office costs or expenses may be included in calculating the loss for a separate plant or factory.

Experience in the administration of the regulation has indicated that the difficulties involved in arriving at a proper allocation of central office expense are outweighed by the impact of the prohibition on manufacturers with substantial central office expenses and in particular the unequal effect of the prohibition on those manufacturers who concentrate most administrative operations in a central office as against those who perform many of such functions in the administrative offices of the separate plant itself.

Accordingly, this amendment eliminates the prohibition against the inclusion of a portion of central office expense in calculating the loss for a separate plant. This amendment provides that, in calculating the loss for a separate plant, central office expenses may be allocated in accordance with generally accepted accounting principles, subject to OPS approval. If the applicant has had a practice in the past of allocating such expenses, the allocation of those expenses which he makes in applying for an adjustment for a separate plant must be consistent with his past practice providing that practice is in accordance with generally accepted accounting principles.

In view of the nature of this amendment special circumstances have made consultation with industry representatives, including trade association representatives, impracticable.

Amendatory Provisions

1. Section 2 (a) (1) is amended to read as follows:

Sec. 2. *Who may apply.* (a) A manufacturer may file an application for adjustment under this regulation if the following conditions are met: (1) His existing ceiling prices would require him to operate at a loss with respect to his manufacturing operations, either for his entire business or for a separate plant or factory, provided that, where central office expenses or costs are allocated for the purpose of calculating the loss for a separate plant or factory, such allocation must be based on generally accepted accounting principles and is subject to OPS review. If the applicant has had a practice in the past of allocating such expenses, the method of allocation used in the application must be consistent with such past practice providing that practice is in accordance with generally accepted accounting principles.

2. Section 3 (c) is amended to read as follows:

(c) An application for adjustment on the basis of a loss with respect to applicant's entire manufacturing business must include a detailed profit and loss statement covering the applicant's entire manufacturing business during the most recent period of such operations under his existing ceiling prices, of one month or more, for which such a statement can be prepared.

An application for adjustment on the basis of a loss with respect to the operations of a separate plant or factory must include a detailed operating statement covering the applicant's operations in that plant or factory during the most recent period of such operations under his existing ceiling prices, of one month or more, for which such a statement can be prepared. The application must also include a profit and loss statement for the applicant's entire manufacturing business covering the same recent period.

The profit and loss statement required in an application with respect to the applicant's entire manufacturing business,

and the operating statement required in an application with respect to a separate plant, must be accompanied by a careful explanation of how it was prepared, including particularly a justification of any estimating procedures used in its preparation, and where an actual loss has not yet been experienced, a statement of the changes in conditions which have already occurred will cause the manufacturer to incur a loss and a statement of what the minimum amount of this loss will be. If application is made with respect to a separate plant, and if any central office costs or expenses are allocated in calculating the loss for the separate plant, the operating statement must indicate the amounts of such costs and expenses which have been allocated to the separate plant and must be accompanied by a statement showing the total amount of such costs and expenses and the method used in making the allocation together with a statement whether this method is the same as that used by the applicant from 1946 to date for allocating central office costs or expenses to the operation of the separate plant or factory. If the method of allocation differs from that previously employed, the difference and the reasons therefor, should be explained. If the applicant has not previously allocated central office expenses to the operations of the separate plant, that fact should be stated.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date: This amendment to General Overriding Regulation 10 is effective September 22, 1952.

NOTE: The reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

JOSEPH H. FREEHILL,
Acting Director of Price Stabilization.

SEPTEMBER 16, 1952.

[F. R. Doc. 52-10214; Filed, Sept. 16, 1952; 10:50 a. m.]

[Ceiling Price Regulation 170]

CPR 170—CEILING PRICES FOR THE WESTERN WOOD PRESERVING INDUSTRY (PRESSURE PROCESS ONLY)

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 and Economic Stabilization Agency General Order No. 2, this Ceiling Price Regulation 170 is hereby issued.

STATEMENT OF CONSIDERATIONS

This regulation provides a method for arriving at ceiling prices of preservatively treated forest products treated in the part of the United States west of the 100th Meridian or in any part of North or South Dakota. It also provides a method for arriving at ceiling prices for the service of pressure treating customer-owned forest products when the service is performed within this region.

The industry covered is essentially of the service type, which makes no basic change in the form of the products treated. In each case the product is prepared and treated according to specifications set by the purchaser, ordinarily in terms of the standards set by the American Wood Preservers Association.

Forest products such as lumber, poles, piling, posts, bridge materials, railroad ties, and miscellaneous sawn forest products are treated with a preservative to protect the wood against decay and insect damage. Pressure treatment involves forcing an oil or water borne preservative into the material in a closed cylinder (retort) under pressure, the amount of preservative injected and left in the wood in each case being specified by the purchaser. Pressure preservative treatment serves to prolong the life of forest products from three to ten fold.

According to a listing compiled by the U. S. Department of Agriculture in cooperation with the American Wood Preservers Association, there were, on January 1, 1952, in the area covered by this regulation, 28 commercial pressure treating plants, operated by 21 companies. Value added in manufacture by commercial treating plants in 1947 amounted to approximately $14.7 million.

The wood preserving industry has two classes of sales. A major portion of the business consists in selling treated forest products where the treater furnishes the untreated product as well as the treating service. A minor portion consists of sales of the treating service only, referred to in the industry as "TSO," in which the customer provides the untreated forest products, and the treater provides the treatment service, including the preservative and services incidental to the treatment. This regulation provides separate price schedules to be used in computing ceilings in connection with these two classes of sales.

For sales of treated forest products, ceiling prices are determined by summating: (1) The ceiling price of the untreated product as established by an applicable dollars and cents ceiling regulation; or, where necessary, by the General Ceiling Price Regulation; (2) the actual cost of the preservative delivered to the plant, plus such handling charges as are authorized in this regulation; (3) a charge for the treatment service as specified in dollars and cents terms in this regulation; (4) transportation charges determined by multiplying the established weights involved by the freight rate in effect at the time of shipment; and (5) charges for whatever special services the customer may require, determined by rate schedules or methods specified in this regulation.

It has been determined that the customary practice both of integrated and non-integrated concerns, in making quotations on treated forest products, is to figure the raw material component on the basis of estimates of what the market price will be when delivery is required. This was one consideration in authorizing the use of established ceiling prices for the raw material component. A further consideration was that this allows establishing ceiling prices for the treated products covered by this regulation which can be ascertained with certainty.

The basic ceiling price for treating customer-owned materials is determined by adding the actual cost of the preservative and the specified handling charges to the dollars and cents ceiling prices for the treatment service provided in this regulation.

The ceiling prices for treating treater-furnished materials are established at a level approximately equal to the weighted average of GCPR prices. The ceiling prices for treating customer-owned materials (TSO) are established at a lower level, the differentials corresponding to that which has prevailed in the market during recent years between the price for that service and the price for treating treater-owned materials. The ceiling prices established for furnishing miscellaneous services incident to treatment are established at approximately the average of GCPR prices. Thus, on the average, the ceiling prices established by this regulation will exceed the GCPR level only to the extent that increases in the costs of untreated materials, preservative materials, and transportation charges since the GCPR base period are reflected in the prices of treated products.

FINDINGS OF THE DIRECTOR OF PRICE STABILIZATION

In the judgment of the Director of Price Stabilization the ceiling prices established by this regulation are generally fair and equitable and are necessary to effectuate the purpose of Title IV of the Defense Production Act of 1950, as amended.

So far as practical in the formulation of this regulation, the Director of Price Stablization has given due consideration to the national effort to achieve maximum production in furtherance of the objectives of the Defense Production Act of 1950, as amended; to prices prevailing during the period May 24, 1950 through June 24, 1950; to those prevailing during the period January 25, 1951 through February 24, 1951, as well as to the level of prices prevailing just before the issuance of this regulation and to all relevant factors of general applicability.

In formulating this regulation, there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations. This consultation included two meetings with the Industry Advisory Committee for Western Wood Preserving.

Every effort has been made to conform this regulation to business practices existing with respect to the production, sale, and distribution of preservatively treated forest products covered by this regulation. Insofar as any provisions of this regulation may operate to compel changes in those business practices, such provisions are found by the Director of Price Stabilization to be necessary to prevent circumvention or evasion of this regulation.

REGULATORY PROVISIONS

Sec.
1. What this regulation does.
2. What regulations are superseded.
3. Geographical applicability.
4. What transactions are covered.

Sec.
5. Basic ceiling prices for treating service only (TSO) sales.
6. Basic f. o. b. ceiling prices for treated products.
7. Additions to basic ceiling prices determined under sections 5 and 6.
8. Ceiling prices for delivered treated products.
9. F. A. S. water shipments.
10. General notes.
11. Inspection service.
12. Terms and discounts.
13. Established weights for treated products.
14. Ceiling prices for special items.
15. Invoices.
16. Modification of proposed ceiling prices by the Director of Price Stabilization.
17. Petitions for amendment.
18. Adjustable pricing.
19. Records.
20. Transfer of business or stock in trade.
21. Interpretations.
22. Prohibitions and violations.
23. Evasions.
24. Definitions and explanations.

AUTHORITY: Sections 1 to 24 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Sup. 2101–2110. E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SECTION 1. *What this regulation does.* This regulation establishes ceiling prices for the service of preservatively treating forest products by pressure process when the treatment is done in the part of the United States west of the 100th meridian, or in North Dakota or South Dakota. It also establishes ceiling prices for sales by treaters of all forest products preservatively treated by pressure process in the part of the United States west of the 100th meridian, or in North Dakota or South Dakota. The sales thus covered by this regulation are of two kinds: Sales of treatment services only, where the forest products are not supplied by the seller of the treatment; and sales of treated forest products, where both forest products and treatment are supplied by the seller. Among the forest products covered by this regulation, but not limited thereto, are poles, piling, lumber, railroad crossing plank, railroad ties, and wood block flooring.

SEC. 2. *What regulations are superseded.* Insofar as the transactions covered by this regulation are concerned, this regulation supersedes the General Ceiling Price Regulation, Ceiling Price Regulation 34, Ceiling Price Regulation 126, Ceiling Price Regulation 155, and Supplementary Regulation 102 to the General Ceiling Price Regulation.

SEC. 3. *Geographical applicability.* The provisions of this regulation are applicable to sales or deliveries in the 48 states of the United States and in the District of Columbia.

SEC. 4. *What transactions are covered.* This regulation applies to all sales of the service of preservatively treating forest products by pressure process when the treatment is done in the part of the United States west of the 100th meridian, or in North Dakota or South Dakota. It also applies to all sales by treaters of forest products preservatively treated by pressure process in the part of the United States west of the 100th meridian, or in North Dakota or South Dakota.

SEC. 5. *Basic ceiling prices for treating service only (TSO) sales.* Your basic ceiling prices for sales of preservative pressure treating service only (TSO) shall be the sum of the following:

(a) The cost of the preservative that is used as delivered to your plant;

(b) A charge for handling and mixing the preservative determined as follows:

(1) For creosote or creosote petroleum mixture: ¼ cent per gallon used.

(2) For all preservatives other than creosote or creosote petroleum mixture: 2½ percent of the delivered price of the preservative used; and

(c) An applicable service charge determined as follows:

(1) For treating lumber and all other sawn forest products not specifically named in subparagraphs (2) through (5) of this paragraph, and including: incising when required, unloading from railroad cars or trucks to tram cars; and loading from tram cars to railroad cars: $32.00 per M'BM.

(2) For treating cross ties, and including: incising when required; unloading from railroad cars or trucks to tram cars; and loading from tram cars to railroad cars: $26.00 per M'BM.

(3) For treating poles of the following lengths, and including: one manufacturer's brand and mark showing length, date, class and/or size; shaving and roofing; framing, if required, consisting of two cross gains, and boring of holes therein or equivalent slab gain with holes; unloading from trucks or railroad cars to tram cars; and loading railroad cars from tram cars:

(i) Poles 50' and shorter: $0.52 per cu. ft.

(ii) Poles over 50' and including 75': $0.64 per cu. ft.

(iii) Poles over 75': $0.76 per cu. ft.

(4) For treating piling of the following lengths, and including: unloading trucks or railroad cars to tram cars and loading railroad cars from tram cars:

(i) Piling, 50' and shorter: $0.47 per cu. ft.

(ii) Piling over 50' and including 75': $0.58 per cu. ft.

(iii) Piling over 75': $0.72 per cu. ft.

(5) For treating short round material, and including unloading trucks or railroad cars to tram cars, and loading railroad cars from tram cars: $0.32 per cu. ft.

SEC. 6. *Basic f. o. b. ceiling prices for treated products.* Your basic ceiling prices, f. o. b. treating plant, for sales of preservatively pressure treated forest products shall be the sum of the following:

(a) A transportation charge for inbound freight determined as follows: If known, the actual transportation cost of the untreated forest product from loading out point to treating plant must be used; if unknown, the cost may be calculated by multiplying the weight (as established in the applicable ceiling price regulation, or, if none is established by regulation, the estimated weight used by you during the period from November 24, 1950 through February 24, 1951) for the untreated material by the applicable freight rate in effect at the time of shipment. If the untreated material is received from several loading out points, an average inbound freight rate may be used.

(b) The f. o. b. ceiling price for the specific untreated forest product established in the applicable dollars and cents ceiling price regulation, or, if a dollars and cents ceiling price regulation has not been issued, the f. o. b. ceiling price of your supplier of the untreated forest product;

(c) The cost of the preservative that is used as delivered to your plant;

(d) A charge for handling and mixing the preservative determined as follows:

(1) For creosote or creosote petroleum mixture: ¼ cent per gallon used.

(2) For all preservatives other than creosote or creosote petroleum mixture: 2½ percent of the delivered price of the preservative used; and

(e) An applicable service charge determined as follows:

(1) For treating lumber and all other sawn forest products not specifically named in subparagraphs (2) through (5) of this paragraph, and including: incising when required; unloading from railroad cars or trucks to tram cars; and loading from tram cars to railroad cars: $37.00 per M'BM.

(2) For treating cross ties, and including: incising when required; unloading from railroad cars or trucks to tram cars; and loading from tram cars to railroad cars: $30.00 per M'BM.

(3) For treating poles of the following lengths, and including: one manufacturer's brand and mark showing length, date, class and/or size; shaving and roofing; framing, if required, consisting of two cross gains, and boring of holes therein or equivalent slab gain with holes; unloading from trucks or railroad cars to tram cars; and loading railroad cars from tram cars:

(i) Poles 50' and shorter: $0.59 per cu. ft.

(ii) Poles over 50' and including 75': $0.71 per cu. ft.

(iii) Poles over 75': $0.83 per cu. ft.

(4) for treating piling of the following lengths, and including: unloading trucks or railroad cars to tram cars and loading railroad cars from tram cars:

(i) Piling, 50' and shorter: $0.54 per cu. ft.

(ii) Piling over 50' and including 75': $0.64 per cu. ft.

(iii) Piling over 75': $0.78 per cu. ft.

SEC. 7. *Additions to basic ceiling prices determined under sections 5 or 6.* Under the circumstances indicated in this section, the following additions may be made to the basic ceiling prices as determined under sections 5 or 6:

(a) For sales of a treating service or a treated product involving less than 1,000 board feet of ties, lumber and all other sawn forest products, you may add as much as 25 percent to the basic ceiling prices as determined under sections 5 or 6, and for sales of 1,000 board feet up to and including 10,000 board feet, you may add as much as 10 percent.

(b) For sales of poles 70 and 75 feet in length, which have been stored for 30 days or longer before treatment, you may add as much as 12½ percent to the basic ceiling prices as determined under section 6, and for sales of poles 76 feet and longer you may add as much as 25 percent.

(c) For sales of piling 70 and 75 feet in length, which have been stored for 30 days or longer before treatment, you may add as much as 12½ percent to the basic ceiling prices as determined under section 6, and for sales of piling 76 feet and longer you may add as much as 25 percent.

(d) For sales of a treating service or a treated product involving 83 cubic feet or less of poles, piling or short round material, you may add as much as 25 percent to the basic ceiling prices as determined under sections 5 or 6.

(e) For sales of a treating service or a treated product involving 84 to 833 cubic feet of poles, piling or short round material, you may add as much as 10 percent to the basic ceiling prices as determined under sections 5 or 6.

(f) When a purchaser requests cross gains in addition to those referred to in sections 5 and 6, you may add as much as 15 cents per additional gain.

(g) When a purchaser requests brands or marks on round material in addition to those referred to in sections 5 and 6, you may add as much as 15 cents per additional brand or mark.

(h) When a purchaser requests holes in addition to those referred to in sections 5 and 6, you may add as much as 5 cents per additional hole.

(i) When, at the request of the buyer, shipments from a treating plant of treated products are packaged in sling lots, or otherwise packaged whereby the load is divided into individual parcels for the purpose of facilitating mechanical unloading of cars, an additional flat charge of $15.00 per car may be made to cover the cost of all labor and material used in the packaging.

(j) When a purchaser requests that the products be framed prior to treatment, or extra services be performed for his convenience, such as, but not limited to, storing treated material for the purchaser, loading material in box cars, separating mixed species, adzing cross ties, incising lumber without treatment, and any other service ancillary to the treatment of forest products not covered in this section or in sections 5 and 6, you may add an amount equal to the highest price you charged for such service during the period from November 24, 1950 through February 24, 1951.

SEC. 8. *Ceiling prices for delivered treated products.* If you sell treated products on a delivered basis, and shipment from the treating plant is by common carrier rail or truck, your ceiling prices shall be the otherwise applicable basic f. o. b. ceiling prices determined under sections 6 and 7, except that instead of computing the transportation charge in the manner provided in section 6 (a), you shall compute the transportation charge as follows:

(a) Where treating in transit rates are available, the transportation charge must be computed by multiplying the applicable through freight rate from the original loading out point to the point of destination by the appropriate established weights as set forth in section 13. If the untreated forest product is received from several loading out points, an average through freight rate may be used. You may add the transit charge to the through freight charge. When transit privileges do not apply, the transportation charge is the freight charge from loading out point to treating plant (computed as provided in section 6 (a)) plus the freight charges from the treating plant to the point of destination (calculated by multiplying the established weight of the treated material as set forth in section 13, by the applicable freight rate in effect at the time of shipment).

(b) If shipment from the treating plant is by truck owned or controlled by you, the transportation charge shall be the freight charge from loading out point to the treating plant (computed as provided in section 6 (a)) plus a charge for shipment from the treating plant to the point of destination which is not in excess of the applicable published common carrier truck rate multiplied by the appropriate established weight of the treated material as set forth in section 13. If there is no published common carrier truck rate, the actual cost of transportation may be charged.

(c) When truck delivery follows a rail haul, as specified by the purchaser, the actual cost of the truck delivery may be added. This may include the cost of unloading, handling, and reloading involved in the transfer from rail car to the truck and the cost of unloading the truck at the point of destination. When an all truck haul ends in delivery to a job site or a storage yard and the unloading is performed by you, you may add the actual cost of unloading.

SEC. 9. *F. A. S. water shipments.* If you sell treated products f. a. s. for water shipment, your ceiling prices shall be computed in the manner set forth in section 8, with the delivery charge computed to the dock as the point of destination, and you may add one or more of the following service charges that may be applicable:

(a) If you own or lease deep water dock facilities which are used in loading your items aboard a vessel, you may add as much as $3.50 per M'BM in the case of lumber, cross ties, and all other sawn products, and as much as 4 cents per lineal foot in the case of poles, piling or short round material.

(b) If you use public dock facilities in loading your items aboard a vessel, you may add the applicable published commercial rate for the use of the facilities. If there is no published commercial rate, the actual cost may be charged.

(c) If you are required by circumstances beyond your control to transfer your items from deep water dock facilities upon which it has been placed preparatory to loading aboard a vessel to another loading point, you may add the actual cost of making the transfer.

SEC. 10. *General notes.* The following general notes are applicable to ceiling prices as determined under this regulation:

(a) If you customarily send bills for partial services, you may continue to send such bills provided the total sum of all the partial billings does not exceed the permissible ceiling prices determined under this regulation.

(b) A ceiling price for the sale of treated products determined under this regulation may be evened out to the nearest quarter dollar per M'BM, or to the nearest quarter cent per lineal foot or per cubic foot, or to the nearest five cents per pole, or to the nearest one-half cent per piece for other items, whichever is applicable.

SEC. 11. *Inspection service.* When a buyer requests special inspection service to be furnished by an inspection agency designated by the buyer, you may add the actual cost to you for such service to the ceiling price of the item inspected.

SEC. 12. *Terms and discounts.* Your cash discounts and other terms of sale shall not be less favorable to each buyer than those which you had in effect during the period from November 24, 1950, through February 24, 1951.

SEC. 13. *Established weights for treated products.* The following are the established weights in pounds, per piece or measure, as indicated for preservatively pressure treated products covered by this regulation:

(a) *Poles.*

TABLE I—DOUGLAS FIR POLES

[Established weights in pounds per pole, classed according to American Standard Association specifications, in effect, on the effective date of this regulation]

Lengths (feet)	Classes									
	1	2	3	4	5	6	7	8	9	10
16					320	280	250	210	175	160
18			440	395	360	315	280	235	200	180
20	580	530	490	440	400	350	310	260	220	200
22	615	570	530	505	460	405	350	310	265	220
25	700	650	600	575	525	460	400	350	300	250
30	1,110	930	810	660	600	510	480	450	390	
35	1,435	1,260	1,085	875	770	665	595	560		
40	1,760	1,560	1,320	1,120	920	800	680			
45	2,070	1,845	1,575	1,350	1,135	945	810			
50	2,500	2,150	1,850	1,600	1,300	1,100	950			
55	2,860	2,495	2,145	1,815	1,540	1,320				
60	3,350	2,820	2,460	2,040	1,740					
65	3,835	3,250	2,795	2,340	2,015					
70	4,340	3,640	3,080	2,560	2,240					
75	4,800	4,050	3,450	2,925						
80	5,240	4,400	3,760	3,200						
85	5,780	4,930	4,165							
90	6,300	5,400	4,560							
95	6,935	5,985	5,605							
100	7,600	6,700	6,300							

NOTE: The weights in this table are based on treatment with a final retention of 8-pound grade I creosote oil. For other retentions add to or subtract from the basic weights 1 pound per cubic foot for each 1 pound variation in the retention of the preservative specified.

TABLE II—JACK PINE AND RED (NORWAY) PINE POLES

[Established weights in pounds per pole, classed according to American Standard Association specifications, in effect, on the effective date of this regulation]

Lengths (feet)	Classes									
	1	2	3	4	5	6	7	8	9	10
16					223	196	170	180	150	115
18			373	320	278	233	196	205	176	135
20	546	487	432	370	325	280	245	260	214	156
22	645	579	506	419	374	324	285	305	242	177
25	807	702	604	525	461	402	340	385	288	213
30	1,084	945	821	706	599	525	456	513	371	
35	1,373	1,192	1,041	900	807	684	612			
40	1,705	1,489	1,266	1,100	947	805	674			
45	2,043	1,773	1,514	1,299	1,121	958	807			
50	2,451	2,080	1,806	1,539	1,310	1,124	952			
55	2,785	2,379	2,048	1,741	1,488	1,254				
60	3,210	2,726	2,337	1,968	1,691	1,444				

NOTE: The weights in this table are based on treatment with a final retention of 8-pound grade 1 creosote oil. For other retentions add to or subtract from the basic weights 1 pound per cubic foot for each 1 pound variation in the retention of the preservative specified.

TABLE III—LODGEPOLE PINE POLES

[Established weights in pounds per pole, classed according to American Standard Association specifications, in effect, on the effective date of this regulation]

Lengths (feet)	Classes									
	1	2	3	4	5	6	7	8	9	10
16					186	160	131	150	109	87
18			302	254	218	186	150	167	129	106
20	564	448	371	313	262	226	186	207	160	128
22	655	535	444	368	317	270	226	244	186	150
25	802	655	545	462	395	336	277	296	231	
30	1,033	869	739	630	529	441	365	340	315	
35	1,264	1,079	928	802	685	592	512	433	420	
40	1,520	1,302	1,126	970	844	735	638			
45	1,780	1,529	1,327	1,155	1,008	882	773			
50	2,075	1,784	1,537	1,335	1,184	1,046	920			
55	2,373	2,045	1,747	1,525	1,361	1,231				
60	2,755	2,327	1,991	1,730	1,537					
65	3,190	2,655	2,220							
70	3,670	2,985	2,470							
75	4,110	3,350								

NOTE: The weights in this table are based on treatment with a final retention of 8-pound grade 1 creosote oil. For other retentions add to or subtract from the basic weights 1 pound per cubic foot for each 1 pound variation in the retention of the preservative specified.

TABLE IV—WESTERN LARCH POLES

[Established weights in pounds per pole, classed according to American Standard Association specifications, in effect, on the effective date of this regulation]

Lengths (feet)	Classes									
	1	2	3	4	5	6	7	8	9	10
16					335	295	260	215	185	165
18					380	330	295	245	205	190
20	610	555	515	460	430	365	325	275	230	210
22	645	600	555	530	485	425	370	325	275	230
25	735	680	630	605	550	485	420	365	315	260
30	1,165	975	850	725	630	535	505	470	410	
35	1,505	1,325	1,140	920	810	700	625	590		
40	1,850	1,640	1,385	1,175	965	840	715			
45	2,175	1,935	1,655	1,415	1,180	990	850			
50	2,625	2,255	1,940	1,680	1,365					
55	3,005	2,600	2,250	1,905	1,615					
60	3,530	2,980	2,585	2,140	1,825					
65	4,025	3,410	2,935	2,455	2,115					
70	4,555	3,820	3,235	2,720	2,350					
75	5,040	4,250	3,620	3,070						
80	5,500	4,620	3,950	3,360						
85	6,070	5,175	4,375							
90	6,615	5,670	5,195							

NOTE: The weights in this table are based on treatment with a final retention of 8-pound grade 1 creosote oil. For other retentions add to or subtract from the basic weights 1 pound per cubic foot for each 1 pound variation in the retention of the preservative specified.

TABLE V—WESTERN RED CEDAR POLES

[Established weights in pounds per pole, classed according to American Standard Association specifications, in effect, on the effective date of this regulation]

Length (feet)	Classes												
	Heavy duty	1 (30" top)	1	2 (30" top)	2	3	4	5	6	7	8	9	10
16								230	190	135	135	105	85
18						440	350	265	185	175	160	120	90
20			615		530	440	350	265	200	175	160	120	90
22			750		635	530	425	350	285	220	205	180	120
25			750		635	530	425	350	280	220	205	180	120
30	1,285	1,120	880	980	750	645	540	440	370	310	295	225	
35	1,460	1,385	1,055	1,180	880	750	660	570	495	415	445		
40	1,725	1,560	1,320	1,400	1,145	970	790	705	615	615			
45	1,990	1,825	1,585	1,575	1,365	1,145	1,010	880	880				
50	2,315	2,090	1,760	1,750	1,585	1,365	1,230	1,145	1,145				
55	2,870	2,615	2,025	2,015	1,760	1,540	1,410	1,410					
60	3,395	2,970	2,290	2,455	1,935	1,760	1,670						
65	4,100	3,495	2,815	2,985	2,200	2,025	1,935						
70	4,540	4,300	3,170	3,510	2,640	2,375	2,200						
75			3,695		3,170	2,750	2,640						
80			4,400		3,695	3,170	3,080						
85			4,840		3,960	3,520	3,520						
90			5,810		4,930	4,225							
95			6,750		5,930	5,250							
100			7,500		6,550	5,750							
105			8,250		7,100	6,300							
110			9,000		7,750	6,850							
115			9,750		8,350	7,300							
120			10,500		9,050	8,100							
125			11,350		9,800	8,750							

NOTE: The weights in this table are based on treatment with a final retention of 8-pound grade 1 creosote oil. For other retentions add to or subtract from the basic weights 1 pound per cubic foot for each 1 pound variation in the retention of the preservative specified.

(b) *Piling*

TABLE I—DOUGLAS FIR PILING AND OTHER WEST COAST SPECIES

[Established weight in pounds per lineal foot for 10-pound final retention]

Lengths (feet)	9" minimum butt includes 8" 1' to 8" 6'	10" minimum butt includes 9" 1' to 9" 6'	11" minimum butt includes 10" 1' to 10" 6'	12" minimum butt includes 11" 1' to 11" 6'	13" minimum butt includes 12" 1' to 12" 6'	14" minimum butt includes 13" 1' to 13" 6'	15" minimum butt includes 14" 1' to 14" 6'	16" minimum butt includes 15" 1' to 15" 6'	17" minimum butt includes 16" 1' to 16" 6'	18" minimum butt includes 17" 1' to 17" 6'	19" minimum butt includes 18" 1' to 18" 6'	20" minimum butt includes 19" 1' to 19" 6'	21" minimum butt includes 20" 1' to 20" 6'	22" minimum butt includes 21" 1' to 21" 6'	23" minimum butt includes 22" 1' to 22" 6'
15–17	23	27	33	39	47	53	61	69	78	87					
18–22	21	26	32	38	44	51	59	67	76	85					
23–27	20	25	30	37	43	50	57	65	74	83					
28–32	19	24	29	35	41	48	55	63	72	80					
33–37	18	23	28	34	39	46	53	61	70	78					
38–42	17	22	26	32	38	45	52	59	67	76					
43–47	16	21	25	31	37	43	50	58	65	74					
48–52	15	20	24	29	35	41	49	56	63	72	80	90	100	110	121
53–57				28	34	40	47	54	62	70	78	88	97	108	119
58–62				27	33	38	45	52	60	68	76	85	95	106	116
63–67				26	31	37	44	51	58	66	74	83	93	103	114
68–72				25	30	36	42	49	56	64	72	81	91	101	111
73–77				24	29	35	40	47	54	62	70	79	88	98	108
78–82						33	39	46	53	61	68	77	86	96	106
83–87						32	38	44	51	59	67	75	84	94	104
88–92						31	37	43	50	57	65	73	82	91	101
93–97						29	35	41	48	55	63	71	80	89	99
98–102						28	34	40	47	53	61	69	78	87	96
103–107							33	38	45	52					
108–112							32	37	44	51					
113–117								36	42	49					
118–122								35	41	48					
123–127									39	46					

NOTE:

(1) Where top diameter controls the size of the pile to be furnished, the butt diameter may be determined by adding to the diameter 1" for each 10' of length. For example, if a 40' pile is ordered measuring not less than 12" at the butt with a minimum top of 10", figuring a natural taper of 1" for each 10' of length, the butt diameter would be 10" top plus 4" or 14" and the weight is found under the heading 14" minimum butt.

(2) To arrive at the weight for piling with a minimum diameter at a specified point more than 6' from the butt:

(a) Convert this specified diameter to a diameter 6' from the butt by adding 1" for each 10' or fraction thereof by which the distance from the butt to the specified point exceeds 6'.

(b) Select the weight in the tables applicable to the diameter 6' from the butt determined in (a) above.

For example: (1) A pile measuring 12" 7' from the butt would be figured as follows:

	Inches
Diameter 7' from butt	12
7' exceeds 6' by 1' add for 1' (fraction of 10')	1
Diameter 6' from butt	13

The weight is found under column headed 14" minimum butt which includes weight for 13" 6' from the butt.

(2) A 70' pile measuring 12" one-quarter of the length from the butt would be figured as follows:

	Inches
Diameter 17½' from the butt (¼ of 70')	12
17½' exceeds 6' by 11½' add for 10'	1
Add for 1½' (fraction of 10')	1
Diameter 6' from butt	14

The weight is found under column headed 15" minimum butt, which includes weight for 14" 6' from the butt.

(3) For retention of preservative other than 10 pounds per cubic foot, add to or subtract from the weights for 10 pounds retention 1 pound per cubic foot for each pound variation in the retention of preservative specified.

(c) *Short round material.*

TABLE 1—SHORT ROUND MATERIAL

[Established weight in pounds per piece]

Lengths	Diameter at small end	Weight
6'	3" round	16
	4" round	27
	5" round	47
	6" round	65
6½'	3" round	18
	3½" round	23
	4" round	29
	4½" round	36
	5" round	51
	6" round	70
7'	2½" round	14
	3" round	19
	3½" round	25
	4" round	32
	4½" round	39
	5" round	54
	6" round	75
	7" round	105
8'	2½" round	15
	3" round	23
	3½" round	31
	4" round	36
	4½" round	50
	5" round	62
	6" round	90
	7" round	119
	8" round	151
9'	6" round	100
	7" round	133
	8" round	169
	9" round	210
10'	2½" round	19
	3" round	32
	3½" round	39
	4" round	53
	4½" round	63
	5" round	83
	6" round	113
	7" round	151
	8" round	189
	9" round	234
12'	2½" round	24
	3" round	40
	3½" round	47

TABLE 1—SHORT ROUND MATERIAL—Continued

Lengths	Diameter at small end	Weight
12'	4" round	63
	4½" round	77
	5" round	99
	6" round	135
14'	2½" round	28
	3" round	45
	3½" round	55
	4" round	74
	4½" round	88
	5" round	115
	6" round	160
6'	4" halves	15
	4½" halves	18
	5" halves	22
	5½" halves	27
	6" halves	34
6½'	4" halves	16
	4½" halves	20
	5" halves	24
	5½" halves	29
	6" halves	36
7'	4" halves	17
	4½" halves	22
	5" halves	26
	5½" halves	31
	6" halves	40
8'	4" halves	20
	4½" halves	25
	5" halves	30
	5½" halves	36
	6" halves	45
6'	7" quarters	22
	8" quarters	31
6½'	7" quarters	24
	8" quarters	33
7'	7" quarters	26
	8" quarters	37
8'	7" quarters	30
	8" quarters	44

NOTE: The weights in this table are based on treatment with a final retention of 6 pounds of creosote oil. For other retentions add to or subtract from the basic weights 1 pound per cubic foot for each pound variation in the retention of preservative specified.

(d) *Lumber*—(1) *Preservative treatment.* (i) The established weight in the applicable ceiling price regulation for untreated lumber (rough green or surfaced green), may be increased by adding 50 pounds per MFBM for each pound retention per cubic foot of creosote, creosote mixture or oil mixture treatment.

(ii) For salt treatment 900 pounds per MFBM may be added to rough or surfaced green weights, when shipped wet from retort. When kiln or air dried after treatment, an addition of only 225 pounds per MFBM may be made.

(e) The established weights of treated products not specifically set out in this section are the estimated weights you used for such products during the period from November 24, 1950 through February 24, 1951.

SEC. 14. *Ceiling prices for special items*—(a) *Application.* If you cannot ascertain a ceiling price for an item subject to this regulation under any other provision of this regulation, as for example, should you wish to sell an item with specifications, ancillary services, or other extras not specifically mentioned in this regulation, you must file an application signed by an authorized person with the Office of Price Stabilization, Forest Products Division, Washington 25, D. C., for approval of a ceiling price. Your application must be made by registered letter, return receipt requested, and must set forth the relevant facts, including the following:

(1) Your trade name and address.

(2) As complete a description as possible of the item for which the application is filed. This should include, the species, class, length, specifications, ancillary extras, or other extras involved.

(3) Your proposed ceiling price, together with a statement indicating why you believe it is in line with the level of ceiling prices established under this regulation.

(4) Your General Ceiling Price Regulation ceiling prices for both the item that is the subject of your application and the most nearly comparable item for which a ceiling price is established by this regulation.

(5) The proposed use to which the buyer will put the item for which you are proposing a special ceiling price.

(b) *Quotation of proposed prices.* After an application has been filed under this section, and before action by the Director of Price Stabilization, you may sell your items at a price not higher than the ceiling price proposed in your application, provided that you agree to refund, and later refund, to the buyer, the amount, if any, by which your proposed ceiling price exceeds the ceiling price established by the Director of Price Stabilization.

(c) *Action by the Director of Price Stabilization.* (1) After receipt of an application made under this section, the Director of Price Stabilization will approve, modify, or disapprove your proposed ceiling price, will request additional information about it, or will establish a different ceiling price for the item that is the subject of your application.

(2) If the Director does not notify you to the contrary or request additional information from you within 20 days after the receipt of your application or within 15 days after the receipt of requested additional information, your proposed ceiling price shall be deemed to have been approved, subject to non-retroactive disapproval or modification at a later time.

SEC. 15. *Invoices.* On all sales of items covered by this regulation you must submit an invoice to the buyer which as a minimum shows:

(a) The name and address of the seller and the buyer;

(b) The prices charged by you for each item, together with the quantity involved;

(c) A description of the item, including the species, class, length, and type of treatment, if any involved;

(d) Extras and services which affect the price charged by you (the charges need not be shown separately for such items);

(e) On delivered sales involving a rail or truck shipment, the point of destination of the shipment and the applicable rail or truck rate.

SEC. 16. *Modification of proposed ceiling prices by the Director of Price Stabilization.* The Director of Price Stabilization may at any time disapprove or reduce ceiling prices proposed under section 14 of this regulation so as to bring them into line with the level of ceiling prices otherwise established by this regulation.

SEC. 17. *Petitions for amendment.* If you wish to have this regulation amended, you may file a petition for amendment in accordance with the provisions of Price Procedural Regulation 1, Revised.

SEC. 18. *Adjustable pricing.* Nothing in this regulation prohibits you from making a contract or offer to sell at (a) the ceiling price in effect at the time of delivery, or (b) the lower of a fixed price or the ceiling price in effect at the time of delivery. You may not, however, deliver, or agree to deliver, at a price to be adjusted in accordance with any increase in ceiling prices after delivery.

SEC. 19. *Records*—(a) *Existing records.* On and after the effective date of this regulation, you shall maintain and keep for examination by the Director of Price Stabilization for the applicable periods specified, respectively, in section 16 of the General Ceiling Price Regulation, in section 18 of Ceiling Price Regulation 34, in section 17 of Ceiling Price Regulation 126, and in section 17 of Ceiling Price Regulation 155, all your existing records relating to prices charged by you for the items or services covered by this regulation which you were required to keep under the provisions of section 16 of the GCPR, section 18 of CPR 34, section 17 of CPR 126, and section 17 of CPR 155. You shall also maintain and keep for examination by the Director of Price Stabilization, for so long as the Defense Production Act of 1950, as amended, shall remain in effect, and for two years thereafter, all your existing records relating to the prices you charged during the period from November 24, 1950 through February 24, 1951, for any of the ancillary services of the sort specified in section 7 (j) of this regulation.

(b) *Current records.* After the effective date of this regulation, every person who sells and every person who, in the regular course of business, buys items subject to this regulation shall make and keep for inspection by the Director of Price Stabilization, for a period of two years after each sale, accurate records or invoices of each sale or purchase made in any month in which the seller sold or the buyer bought more than $1,000 worth of items subject to this regulation. The records must show:

(1) The dates of sales or purchases;

(2) The names and addresses of the sellers and buyers;

(3) The kind of sales involved, i. e., delivered or f. o. b.;

(4) A description of the items sold or bought, including the species, class, length, specifications, and any extras involved;

(5) The prices charged or paid, including all additions, extras and discounts;

(6) The point of origin and point of destination of the shipment, the means of transportation used, the amount of any additions for transportation, and the basing point, if any, upon which the transportation addition may have been computed.

The retention by a buyer of an invoice furnished by a seller, which includes the factual information required to be made a matter of record by this paragraph, shall be considered as compliance with the provisions of this section.

SEC. 20. *Transfer of business or stock in trade.* If a business, assets, or stock in trade are sold, or otherwise transferred after the effective date of this regulation, and the transferee carries on the business, or continues to deal in the same type of commodity or service, in an establishment separate from any other establishment previously owned or operated by him, the ceiling prices of the transferee shall be the same as those to which his transferor would have been subject, if no such transfer had taken place, and his obligation to keep records sufficient to verify such prices shall be the same. The transferor shall either preserve and make available, or turn over, to the transferee all records of transactions prior to the transfer which are necessary to enable the transferee to comply with the provisions of this regulation.

SEC. 21. *Interpretations.* If you want an official interpretation of this regulation, you should write to the District Counsel of your local OPS District Office. Any action taken by you in reliance upon, and in conformity with a written official interpretation, will constitute action in good faith pursuant to this regulation. Further information on obtaining official interpretations is contained in Price Procedural Regulation 1, Revised.

SEC. 22. *Prohibitions and violations.* (a) You shall not do any act prohibited or omit to do any act required by this regulation, nor shall you offer, solicit, attempt, or agree to do or omit to do any such acts. Specifically, but not in limitation of the above, you shall not regardless of any contract or other obligation, sell and no person in the regular course of trade or business shall buy from you at a price higher than the ceiling prices established by this regulation, and you and buyers from you shall keep, make and preserve true and accurate records and reports required by this regulation. Prices lower than the ceiling prices may be charged, paid, or offered.

(b) If you violate any provisions of this regulation, you are subject to criminal penalties, enforcement action, and actions for damages.

(c) If any person subject to this regulation fails to prepare or keep any record or file any report required by this regulation in connection with the establishment of his ceiling price, or if any person subject to this regulation fails to establish a ceiling price or apply to the Office of Price Stabilization for the establishment of a ceiling price, if he is required to do so, the Director of Price Stabilization may issue an order fixing his ceiling prices. Any ceiling price fixed in this manner will be in line with ceiling prices generally established by this regulation. The order fixing the ceiling price may apply to all deliveries or transfers completed prior to the date of issuance of the order. The issuance of such an order will not re-

lieve the seller of his obligation to comply with the requirements of this regulation or of the various penalties for failure to do so.

SEC. 23. *Evasions.* Any means or device which results in obtaining indirectly a higher price than is permitted by this regulation, or in concealing or falsely representing information as to which this regulation requires records to be kept is a violation of this regulation. This prohibition includes, but is not limited to, means or devices making use of commissions, services, cross sales, transportation arrangements, premiums, discounts, special privileges, upgrading, tie-in agreements, and trade understandings, as well as the omission from records of true data and the inclusion in records of false data.

SEC. 24. *Definitions and explanations.* The terms appearing in this regulation, unless the context clearly requires a different meaning, shall be construed as follows:

(a) *Office of Price Stabilization.* This term means the Director of Price Stabilization and also applies to any official (including officials of regional or district offices) to whom the Director of Price Stabilization delegates a function, power or authority referred to in this regulation.

(b) *Person.* This term includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successors or representatives of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions or any agency of the foregoing.

(c) *Records.* This term includes without limitation, books of account, sales lists, sales slips, orders, vouchers, contracts, receipts, invoices, bills of lading, and other papers, documents, letters and correspondence.

(d) *Sell.* This term means sell, supply, dispose, barter, exchange, lease, transfer, and deliver, and contracts and offers to do any of the foregoing. The terms "sale", "sold", "buy", "purchase", and "purchaser", shall be construed accordingly.

(e) *Service.* This term means any service rendered or supplied in connection with the pressure preservative treatment of forest products covered by this regulation.

(f) *Treater.* This term means (1) a person who supplies his own untreated forest products, impregnates them with a wood preservative by a pressure process, and who sells them in their treated form; or (2) a person who supplies his own forest products, but contracts with another for the performance of the treating service, and who sells the forest products in their treated form.

(g) *You.* This term means a treater subject to this regulation.

Effective date. This regulation shall become effective September 22, 1952.

NOTE: The record-keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

JOSEPH H. FREEHILL,
Acting Director of Price Stabilization.

SEPTEMBER 16, 1952.

[F. R. Doc. 52-10216; Filed, Sept. 16, 1952; 10:50 a. m.]

[General Ceiling Price Regulation, Supplementary Regulation 119]

GCPR, SR 119—EXEMPTION OF SALES BETWEEN MANUFACTURERS OF TOBACCO PRODUCTS AND THEIR SUBSIDIARIES

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Supplementary Regulation 119 to the General Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

This supplementary regulation provides that a corporation engaged in the manufacture of tobacco products and any subsidiaries it may have may apply jointly to the Office of Price Stabilization for exemption of their intercorporate purchases and sales of tobacco or tobacco products from the provisions of the General Ceiling Price Regulation (GCPR).

This exemption will be allowed when the Director of Price Stabilization finds that such purchases and sales are carried out in accordance with business practices specially established for such transactions, that compliance with the provisions of the GCPR necessitates or threatens to necessitate substantial changes in those practices, that the requested exemption is not likely to result in price increases for sales to outside buyers, and that the requested exemption will not interfere with carrying out the purposes of the Defense Production Act of 1950, as amended.

Some corporations manufacture tobacco products from tobacco purchased from subsidiaries which grow, purchase, cure, or otherwise handle it. On the other hand, manufacturers sometimes buy tobacco, process it into finished tobacco products, and sell them for cost plus a manufacturing or other charge to a subsidiary which, in turn, markets the finished products.

It has come to the attention of the Office of Price Stabilization that application of the GCPR to these inter-company sales and purchases will probably have the effect of causing substantial change in standard accounting practices developed for such transactions. In the ordinary course of events, the prices charged in these inter-company transactions have no effect on the prices charged to distributors, consumers or others beyond the circle of those transactions. Control of the prices charged between the described companies and the consequent necessity for changes in accounting practices would therefore serve no useful purpose in relation to the economic stabilization program.

However, there are some cases in which the combined effect of this exemption and the provisions of the GCPR would result in higher ceiling prices for sales of tobacco products to outsiders than warranted. For example, section 11 of the GCPR permits a seller to increase his ceiling price for tobacco, or products processed therefrom, by the dollar-and-cent amount of any increases he pays his supplier for that commodity or its products. If a company were exempted under this supplementary regulation and thereafter indiscriminately increased the prices it charged its parent for tobacco or tobacco products, that parent would be able to raise its ceiling prices to outsiders far above the ceiling prices it could charge absent the exemption. Similar results would follow under sections 4 and 5 of the GCPR, which direct sellers to determine ceiling prices by applying percentage markups to costs. To guard against such results it is provided that any company exempted under this supplementary regulation must calculate its ceiling prices to outsiders on the assumption that the commodities purchased from its affiliate were purchased at a price no higher than what its affiliate's ceiling price for sales to it would be were the affiliate not exempted under this supplementary regulation.

As a further precaution it is provided that the exemption granted in any given case shall terminate whenever the Director of Price Stabilization finds that ceiling prices to outsiders are higher than what they would be were the exemption not in effect. This termination provision is in addition to the usual retention of jurisdiction power lodged in the Director with respect to individual price actions.

FINDINGS OF THE DIRECTOR

In the formulation of this supplementary regulation there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations.

In the judgment of the Director of the Office of Price Stabilization, the exemptions allowed by this supplementary regulation are generally fair and equitable, are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended, and comply with all the applicable standards of that act.

REGULATORY PROVISIONS

Sec.

1. What this regulation does.
2. Where this regulation applies.
3. Who may apply for exemption; form of application.
4. Action of the Director; findings justifying exemption.
5. Ceiling prices for non-exempt sales.
6. How long the exemption lasts.
7. Continued applicability of General Ceiling Price Regulation.
8. Definitions.

AUTHORITY: Sections 1 through 8 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 806, as amended; 50 U. S. C. App. Sup. 2101–2110, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SECTION 1. *What this regulation does.* This regulation establishes a procedure by which a corporation manufacturing tobacco products may jointly apply with

one or more of its subsidiary corporations for exemption from the provisions of the General Ceiling Price Regulation, as amended, of sales and purchases between them of tobacco and tobacco products. In addition, it sets forth standards to govern the grant and duration of exemptions and indicates how exempted corporations must determine their ceiling prices for sales to outside purchasers.

SEC. 2. *Where this regulation applies.* This regulation applies to the forty-eight States, the Territories and possessions of the United States, and the District of Columbia.

SEC. 3. *Who may apply for an exemption; form of application.* If you are a corporation manufacturing tobacco products and have one or more subsidiaries to which you sell, or from which you buy, tobacco or tobacco products, or both, you and one or more of those subsidiaries may jointly apply for permission to make sales to and purchases from one another without regard to the provisions of the General Ceiling Price Regulation, as amended and supplemented. Your application must be sent to the Office of Price Stabilization, Grocery Products Branch, Washington 25, D. C. It must be in writing, signed by a duly authorized officer, must state that it is filed under section 3 of SR 119 to the GCPR, and must contain the following information:

(1) A description of the practices, including accounting methods, for handling such sales and purchases during the base period;

(2) The nature and extent of the changes in those base period practices which will be required by reason of the provisions of the General Ceiling Price Regulation, as amended;

(3) A detailed description of the types of purchases and sales for which exemption is requested.

SEC. 4. *Action of the Director; findings justifying exemption.* The Director of Price Stabilization, or his duly authorized representative, will issue a letter-order granting an application for exemption filed under section 3 of this supplementary regulation only if he finds that:

(a) You and your subsidiaries have well-defined practices specially established for handling inter-corporate sales and purchases and that those practices were in effect during the base period;

(b) Compliance with the provisions of the General Ceiling Price Regulation, as amended, has necessitated or probably will necessitate substantial changes in those practices;

(c) The granting of the exemption is not likely to cause any increase in ceiling prices for sales not covered by the exemption; and

(d) The granting of the exemption applied for will not interfere with the purposes of the Defense Production Act of 1950, as amended.

If the Director or his duly authorized representative finds that any of those conditions are not met, he will issue a letter-order denying the application for exemption.

SEC. 5. *Ceiling prices for non-exempt sales.* Your ceiling prices for sales to purchasers, other than those to whom your sales are exempt from the provisions of the GCPR pursuant to an order issued under this supplementary regulation, must be determined under the applicable provisions of the General Ceiling Price Regulation, as amended and supplemented. In determining those ceiling prices, however, you must base all your calculations on the assumption that any commodity purchased from a corporation whose sales to you are exempt from the provisions of the GCPR (pursuant to an order issued under this supplementary regulation), was purchased at a price no higher than what that corporation's ceiling price to you for the commodity would have been had the sale not been exempt. In addition, any notice of "parity" adjustment filed pursuant to section 11 (f) of the General Ceiling Price Regulation, as amended, must be based on that assumed purchase price.

Example. You are a subsidiary corporation of corporation P, from which you buy cigarettes which you then resell to retailers. A letter-order issued under section 4 of this supplementary regulation exempts sales and purchases between you and P from the provisions of the GCPR. During and since the GCPR base period you have been selling X brand cigarettes (manufactured by P) to retailers and your ceiling price for those sales is $7.78 per 1,000. P charges you $7.60 per 1,000 for X brand cigarettes, but if P's sales to you were not exempt its ceiling price to you for them would only be $7.56 per 1,000. P now starts selling you Y brand cigarettes at a price of $7.65 per 1,000. If P's sales to you were not exempt, its ceiling price to you for those cigarettes would be $7.62 per 1,000.

You must determine your ceiling price for sales of Y brand cigarettes to retailers under section 5 of the GCPR, using X brand as your "comparison commodity" under that section. The calculation of your ceiling price for Y brand cigarettes must be based on the assumption that the price you are paying P for X brand is no higher than $7.56 per 1,000, and the price you are paying for Y brand is no higher than $7.62 per 1,000. Your ceiling price calculations are, therefore, as follows:

(1) $7.78 (your ceiling price for sales of X brand to retailers) ÷ $7.56 equals 2.9% (or .029)

(2) $7.62 × 1.029 equals $7.84 (your ceiling price for sales of Y brand to retailers)

SEC. 6. *How long the exemption lasts.* The Director of Price Stabilization or his duly authorized representative may terminate any exemption granted under this supplementary regulation whenever he finds that either you or one of your subsidiaries has, for sales not covered by the exemption, increased ceiling prices in excess of what the ceiling prices for such sales would have been if the exemption had not been granted, or that continuation of the exemption is inconsistent with the purposes of the Defense Production Act of 1950, as amended.

SEC. 7. *Continued applicability of General Ceiling Price Regulation.* All provisions of the General Ceiling Price Regulation, as amended and supplemented, except as modified by this supplementary regulation, continue to apply to you even though you may be one of the sellers who are affected by this supplementary regulation.

SEC. 8. *Definitions.* "Subsidiary" means, for purposes of this supplementary regulation, a corporation whose business operations during and since the base period have been controlled by another corporation through ownership of voting stock.

Effective date: This Supplementary Regulation 119 to the General Ceiling Price Regulation, as amended, is effective September 22, 1952.

NOTE: The reporting requirements of this supplementary regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

JOSEPH H. FREEHILL,
Acting Director of Price Stabilization.

SEPTEMBER 16, 1952.

[F. R. Doc. 52-10219; Filed, Sept. 16, 1952; 4:00 p. m.]

[General Overriding Regulation 14, Amdt. 22]

GOR 14—EXCEPTED AND SUSPENDED SERVICES

SUSPENDING CERTAIN TANNING SERVICES

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Amendment 22 to General Overriding Regulation 14 is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment adds to the list of services suspended from price control those services performed in the tanning, finishing or currying of leather, except such services performed in the territories and possessions of the United States.

By Amendment 1 to Ceiling Price Regulation 2, Revision 2, effective April 28, 1952, and Amendment 4 to General Overriding Regulation 4, Revision 1, effective June 23, 1952, all sales of imported and domestic hides and skins, and their cut parts suitable for making leather, and imported and domestic leather were suspended from price control, except sales in the territories and possessions of the United States, and in the case of leather, sales at retail. As explained in detail in the statements of considerations for these two amendments, sales of these commodities were suspended because they are selling at prices materially below ceilings and are not expected to reach ceilings in the foreseeable future.

A low level of selling prices of commodities usually has a depressing effect on the charges for services connected with the processing of those commodities. Many shoe manufacturers, other users of leather and some tanners from time to time have hides and skins or semi-processed leather owned by them tanned, finished or curried on contract by another. It is apparent that these manufacturers will engage in this practice to a much lesser extent, or not at all, if leather processed to the desired stage can be purchased at a lower price

than the cost of the raw material plus the processing service charge. Market forces will continue to hold these service charges in line and will prevent any appreciable increases. Accordingly, it is the judgment of the Director that as long as the prices of hides and skins and leather do not rise to any significant degree, charges for the processing of services suspended by this amendment will not increase appreciably.

In the judgment of the Director controls over the services suspended by this amendment are not required at this time in order to carry out the purposes of the Defense Production Act of 1950, as amended. The Director may at any time terminate or modify this suspension if he determines that such action is necessary in the interest of the stabilization program. In any event this suspension will be terminated when the suspension of ceilings on hides and skins or leather is terminated.

All records which were required to be prepared and preserved under applicable ceiling price regulations in effect prior to this suspension must continue to be preserved.

In the formulation of this amendment there has been consultation with industry representatives, including trade association representatives, to the extent practicable, and consideration has been given to their recommendations.

AMENDATORY PROVISIONS

Section 4 of General Overriding Regulation 14, as amended, is further amended by adding the following subparagraph to paragraph (b) thereof:

(4) All services performed in the tanning, finishing or currying of leather, except such services performed in the territories and possessions of the United States.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This amendment to General Overriding Regulation 14 shall become effective September 16, 1952.

JOSEPH H. FREEHILL,
Acting Director of Price Stabilization.

SEPTEMBER 16, 1952.

[F. R. Doc. 52-10215; Filed, Sept. 16, 1952; 10:50 a. m.]

[General Overriding Regulation 36]

GOR 36—CERTIFICATION OF SALES BELOW CEILING

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency Order No. 2, this General Overriding Regulation 36 is hereby issued.

STATEMENT OF CONSIDERATIONS

This regulation establishes the procedure, pursuant to section 411 of the Defense Production Act, as amended, whereby persons may be relieved of OPS reporting requirements with respect to sales of materials or services if they certify that their sales are made at prices below the ceiling prices established by OPS.

Since it is impossible to certify that a sale is being made at a price below its ceiling price until the ceiling price has been established, this certification procedure does not apply to reports required in connection with the establishment or adjustment of a ceiling price. Further, the Conference Report stated, with regard to this provision, that "The relief from the burden of furnishing reports would not, of course, deny the right of investigation under section 705." Accordingly, the filing of the required certification does not excuse a person from filing reports in connection with investigations under section 705 of the act. Such reports include surveys to determine whether a new level of ceiling prices should be established for an industry, surveys to establish dollars and cents ceiling prices, surveys to determine whether a particular material or service should be exempted or suspended from, or subject to, price control, and information necessary to establish ceiling prices for new sellers or new materials or services.

The certification procedure established by this regulation applies to all materials and services. However, special circumstances may require a different certification procedure in some cases. Accordingly, the certification procedure established by this regulation does not apply if the OPS regulation under which a report or other information is required contains a special certification procedure.

In the formulation of this regulation, special circumstances have rendered consultation with industry representatives, including trade association representatives, impracticable.

REGULATORY PROVISIONS

Sec.
1. What this regulation does.
2. How you certify that your sales are below ceiling prices.
3. Effect of certification.
4. Definitions.

AUTHORITY: Sections 1 to 4 issued under sec. 704, 64 Stat. 816 as amended; 50 U. S. C., App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Sup. 2101-2110, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SECTION 1. *What this regulation does.* This regulation tells you how you may, in lieu of filing reports or any other information as to sales as required by other OPS regulations, certify that such sales of a material or service are below ceiling prices. This regulation will not apply to you, however, if the regulation under which the report or other information is required specifies a different certification procedure.

SEC. 2. *How you certify that sales are below ceiling prices*—(a) *Certification procedure.* You certify that sales are below ceiling prices by filing a signed statement with whatever OPS office you would otherwise be required to file a report or other information under the regulation applicable to you. This statement must be filed by registered mail, return receipt requested. If the ceiling prices for the commodities or services for which you are filing a certification are not established by the same OPS regulation, you must file a separate certificate for each group of commodities under a different regulation.

(b) *Form of certification.* Your certification must be in the following form:

CERTIFICATION OF SALES BELOW CEILING PRICES

It is hereby certified that _____ (name of company) is presently selling the material(s) or service(s) listed below to all purchasers at prices below the ceiling prices established by _____ (title of the applicable OPS regulation)

_____ (Name of Company)

_____ (Address of Company)

_____ (Signature of Authorized Person)

_____ (Title or Position of Signer)

Date:

Materials or services for which certification is filed: (If your ceiling price for any of the materials or services which you list is established by a letter order issued by OPS, list the number of the letter order following the name of such material or service.)

SEC. 3. *Effect of certification*—(a) *Reports of sales.* If you have filed a certification that your sales are below ceiling prices, as provided in section 2 of this regulation, you are not required to file any reports with regard to sales of the materials or services included in the certification. However, the filing of such certification does not excuse you from filing reports in connection with investigations under section 705 of the act. Such reports include surveys to determine whether a new level of ceiling prices should be established for your industry, surveys to establish dollars-and-cents ceiling prices, and surveys to determine whether a particular material or service should be exempted or suspended from, or subject to, price control.

(b) *Reports in connection with the establishment or adjustment of a ceiling price.* The filing of a certification that your sales are below ceiling prices does not excuse you from filing reports in connection with the establishment or adjustment of a ceiling price.

Example. You are planning to manufacture and sell a new commodity. The basic regulation covering the commodity requires you to establish a ceiling price by reference to the ceiling price of another commodity sold by you. It further provides that before selling any such new commodity you must file a report with OPS showing how you calculated the ceiling price. Accordingly, you will not have established your ceiling price for the new commodity until after you have filed the required report. A certification by you under this regulation will not relieve you from the necessity of filing such a report.

(c) *Record-keeping.* The filing of a certification that your sales are below ceiling prices does not excuse you from the record-keeping requirements of the applicable OPS regulation.

(d) *Period during which certification remains in effect.* Once you have filed a certification that your sales are below ceiling prices, that certification will remain in effect as long as you continue to sell the materials or services covered by the certification at prices below the ap-

plicable ceiling prices established for those materials or services. If, after you have filed your certification, you sell a material or service, covered by the certification, at a price equal to its ceiling price, your certification is voided with respect to the material or service which you have sold at its ceiling price. This means that after the date of a sale at ceiling price, you must file all reports required by the applicable OPS regulations which are in effect on or after the date of such sale. However, reports need not be filed with respect to sales of the material or service made during the period between the filing of your certification and the date of your sale at ceiling price. You may reinstate your certification, with respect to this material or service, by filling a new certification in the manner required by this regulation if sales are again made below ceiling prices.

SEC. 4. *Definitions.* Unless the context otherwise requires, the term:

(a) "Act" means the Defense Production Act of 1950, as amended.

(b) "Material" means raw materials, articles, commodities, products, supplies, components, technical information and processes.

(c) "OPS" means the Office of Price Stabilization.

(d) "Service" means any act or acts performed or rendered otherwise than as an employee for a fee, charge or other consideration. The term includes any privilege sold or granted, or any forbearance to act, for a fee, charge or other consideration. The term also includes the rental of any commodity or service.

(e) "You" means the person subject to this regulation. "Your" and "yours" are construed accordingly.

Effective date. This regulation is effective September 22, 1952.

NOTE: The reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

JOSEPH H. FREEHILL,
Acting Director of Price Stabilization.

SEPTEMBER 16, 1952.

[F. R. Doc. 52-10220; Filed, Sept. 16, 1952; 4:00 p. m.]

[General Overriding Regulation 37]

GOR 37—REQUIRED REPORTS

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this General Overriding Regulation 37 is hereby issued.

STATEMENT OF CONSIDERATIONS

This General Overriding Regulation is issued to improve OPS information-gathering surveys. It provides a more formalized procedure to enable the OPS to obtain essential facts and figures, and will lessen the administrative burden for the industry as well as for OPS.

It is frequently necessary for OPS to obtain data such as the level of selling prices and of ceilings in a particular industry. This is required, for example, to make ceiling price adjustments under the Industry Earnings Standard; to determine whether distributors' margins meet the requirements of the Herlong Amendment; to decide whether controls should be suspended, or whether they should be reimposed in areas where they have been suspended.

Congress recognized this need for information. In section 705 of the Defense Production Act of 1950, as amended, it granted the President very broad powers to obtain all information which, in his discretion, is necessary for the administration and enforcement of the stabilization program. The President has delegated these powers to the Office of Price Stabilization. OPS has sought to exercise these broad powers in the most limited manner consistent with the efficient discharge of its responsibilities.

The primary objective of this regulation is to enable OPS to conduct surveys of particular industries through the use of a "sampling" technique. By directing inquiries only to a sample, rather than to every company in a particular industry, OPS aims to minimize the burden imposed on business. Such samples will be selected to include only the smallest number of companies necessary to give OPS a representative picture of the particular industry. Being limited to such a minimum, the difficulties produced by nonresponse may be very great. The unwillingness to cooperate of one or two companies may destroy the statistical validity of all the information obtained from the rest of the sample. Supplementary correspondence, to fill in the gaps, may hold up a survey for weeks and thereby prevent or postpone necessary adjustments or other industry-wide action.

One approach to this problem is to take expected nonresponse into consideration in the selection of a sample. This would, however, require a considerable increase in the number of firms selected. Furthermore, a sub-sample of the nonrespondents would be necessary. This could not start until after it is definitely known which companies failed to respond. For this sub-sample a complete response would be necessary. It is obvious that this approach is both cumbersome and time-consuming. As a result, the real purpose of the sample method—keeping the burden on industry to a minimum—would be frustrated.

The most effective way to eliminate the statistical bias resulting from nonresponse is to assure that all companies included in a sample survey supply the required information. Congress has provided adequate power to obtain information which OPS considers necessary. Under this regulation OPS can use the power provided by section 705 of the Defense Production Act. Whenever it is essential to obtain particular information within a specified period of time, requests to particular companies may be accompanied by letter orders. Failure to comply with the letter order constitutes a violation of the Defense Production Act and subjects the violator to the penalties provided by the act.

The approach adopted by this regulation insures that OPS will obtain essential information in the shortest possible time and with the smallest amount of inconvenience to the business community.

While this regulation is primarily designed for use in surveys using a sampling technique, it may in some cases be necessary to require all members of an industry to reply. There also may be instances where this regulation will be used to obtain essential information from a single company.

Before a survey is launched its scope and purpose will be defined, as provided by section 705. A determination will be made whether adequate and authoritative data can be obtained from any Federal or other responsible agency. Furthermore, the provisions of the Federal Reports Act of 1942, relative to clearance of surveys by the Bureau of the Budget, will, of course, continue to be observed.

Simultaneously with the issuance of this regulation, OPS is initiating streamlined procedures for making ceiling price adjustments under the Industry Earnings Standard. This regulation is essential to the successful operation of the streamlined earnings standard procedure.

Since this regulation will govern all sellers with respect to whom the Director of Price Stabilization has issued or may issue ceiling price regulations, he has determined that consultation with industry representatives, including trade association representatives, would be impracticable. In the judgment of the Director the provisions of this regulation are generally fair and equitable, are necessary to effectuate the provisions of Title IV and Title VII of the Defense Production Act, as amended, and conform with all the applicable standards of that act.

REGULATORY PROVISIONS

Sec.
1. What this regulation does.
2. Letter orders.
3. What information you must submit.
4. Enforcement.

AUTHORITY: Sections 1 to 4 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Sup. 2101-2110, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR 1950 Supp.

SECTION 1. *What this regulation does.* This regulation provides for the use by the Office of Price Stabilization of the powers to obtain information provided in section 705 of the Defense Production Act of 1950, as amended.

SEC. 2. *Letter orders.* The Director of Price Stabilization may issue letter orders requiring sellers to submit information which he considers necessary or appropriate to the administration or enforcement of the Defense Production Act and the regulations or orders issued thereunder.

SEC. 3. *What information you must submit.* The letter order will indicate the information which you are required to submit. It will also specify the date by which the information must be submitted. If you are unable for any reason to submit the required information by the date specified, you must notify the

Director of the date when you will be able to supply it not later than three working days after you receive the letter order.

SEC. 4. *Enforcement.* If you receive a letter order issued under this regulation and fail to submit the required information on or before the date specified in the order, you are subject to applicable sanctions of the Defense Production Act of 1950, as amended.

Effective date. This regulation shall be effective September 16, 1952.

NOTE: The reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. Individual surveys will be undertaken pursuant to this regulation only after the specific approval of the Bureau of the Budget when the Federal Reports Act requires such approval and will show that such approval has been obtained.

JOSEPH H. FREEHILL,
Acting Director of Price Stabilization.

SEPTEMBER 16, 1952.

[F. R. Doc. 52-10218; Filed, Sept. 16, 1952; 4:00 p. m.]

[Ceiling Price Regulation 98, Amdt. 6]

CPR 98—RESELLERS OF IRON AND STEEL PRODUCTS

RECALCULATIONS OF CEILING PRICES

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Amendment 6 to Ceiling Price Regulation 98 is hereby issued.

STATEMENT OF CONSIDERATIONS

Amendment 3 permitted resellers under CPR 98 to reflect in their ceiling prices under certain specified conditions the increase in the mill price of iron or steel products authorized by the Office of Price Stabilization. That amendment permitted the warehouse reseller to reflect the price increase even though he received no shipment of the product by the end of the month in which his principal source of supply effected the ceiling price increase authorized by the Office of Price Stabilization. This was permitted in order to eliminate, to the extent possible, the creation of a dual price structure unique among warehouse resellers and to enable small resellers, who receive shipments less frequently than larger resellers, to establish their ceiling prices at the same general level as the larger resellers. This permission for resellers to use the price of their principal source of supply, however, extended only for one month following the month in which the producers put the increase into effect and thereafter such resellers were required to average their increase in the customary manner provided elsewhere in the regulation. It is evident now that many small warehouse resellers as well as larger resellers have not as yet received any invoices with the increase. On the 16th of September they would be compelled to revert to using the ceiling prices which they had determined from their past invoices which did not reflect any increase. The problem has been heightened by the postponement in shipments of steel products due to the prolonged steel strike.

In order to avert the contingency set forth and to provide a reasonable method of transition, thereby insuring the results originally intended in the issuance of Amendment 3, this amendment permits such resellers to continue using the increased price of their principal source of supply in calculating their ceiling prices until such time as they have received invoices for the product during the preceding calendar month which do reflect the authorized mill increase.

In the judgment of the Director of Price Stabilization the provisions of this amendment are generally fair and equitable and are necessary to effectuate the purposes of the Production Act of 1950, as amended.

So far as practicable, the Director has given due consideration to the national effort to achieve maximum production in furtherance of the objectives of the Defense Production Act of 1950, as amended, and to relevant factors of general applicability.

In view of the emergency nature of this amendment, special circumstances have rendered consultation with the industry advisory committee impracticable but industry representatives, including trade association representatives have been consulted and their recommendations considered.

AMENDATORY PROVISIONS

Section 5 (b) (1) is amended to read as follows:

(1) As stated in paragraph (a) of this section, this regulation, in general, requires you to compute your ceiling price (except for products covered by Part IV) by determining your average material costs during a calendar month, adding an amount calculated by applying a specified percentage markup to your average material cost, and adding incoming transportation costs and extras. It requires you to recompute your ceiling prices monthly at the close of each calendar month by using the invoices received by you during that calendar month. It further provides that you may not put into effect the ceiling prices so determined until the 16th of the month following the calendar month in which the invoices were received. This paragraph, however, permits you, as provided in subparagraphs (2), (3) and (4) of this paragraph, to recalculate immediately your ceiling warehouse price for a product under certain conditions. The supplemental pricing provisions of subparagraph (2) of this paragraph are applicable only between the time a price increase authorized by the Office of Price Stabilization becomes effective and the 15th day of the following month. On the 16th day of the following month your ceiling prices determined under subparagraph (4) of this paragraph become effective. Each month thereafter you determine your ceiling price under the regular recalculating provisions of the regulation, provided that you have received invoices which you can use in recalculating your ceiling prices for the product applying to shipments from a mill made on or after July 26, 1952.

Where you have not received any invoices for shipments made from a mill on and after July 26, 1952, either in the previous month or in the last calendar month in which you did receive invoices for the product, you may continue to use as the basis of your calculations under the regular recalculating provisions of the regulation for the month or months following that in which you established ceiling prices under subparagraph (4) of this paragraph, the new increased price of your principal source of supply which you determined in the manner set forth in subparagraph (4).

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This amendment is effective September 15, 1952.

TIGHE E. WOODS,
Director of Price Stabilization.

SEPTEMBER 15, 1952.

[F. R. Doc. 52-10187; Filed, Sept. 15, 1952; 4:02 p. m.]

Chapter XV—Federal Reserve System

[Regulation X, Suspension]

REG. X—REAL ESTATE CREDIT

NOTICE OF SUSPENSION

1. a. The Secretary of Labor has transmitted to the Board of Governors of the Federal Reserve System the estimates required to be made by section 607 of the Defense Production Act of 1950, as amended, and section 503 of Executive Order No. 10161, as amended.

b. The Secretary of Labor, on the basis of his estimates of the number of permanent, nonfarm, family dwelling units, the construction of which has been started during each of the three calendar months, June, July, and August 1952, has estimated the annual rate of construction starts during each such months, after making reasonable allowance for seasonal variations in the rate of construction.

c. The annual rate of construction starts so estimated by the Secretary of Labor for each of the said three months was at a level below an annual rate of 1,200,000 starts per year.

2. In view of the foregoing, as required by section 607 of the Defense Production Act, as amended, and section 503 of Executive Order No. 10161, as amended, the Board of Governors of the Federal Reserve System, with the concurrence of the Housing and Home Finance Administrator, hereby announces the beginning of a "period of residential credit control relaxation" which period shall begin on September 16, 1952.

3. a. Effective September 16, 1952, Regulation X is suspended.

b. The suspension of Regulation X was adopted by the Board after consideration of all relevant matter, including recommendations received from time to time from industry and trade association representatives and others. Section 709 of the Defense Production Act of 1950, as amended, provides that the functions exercised under such Act shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237), except as to the requirements of section 3 thereof.

(Sec. 704, 64 Stat. 798, Pub. Law 429, 82d Cong.; 50 U. S. C. App. 2154, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp, E. O. 10373, July 14, 1952, 17 F. R. 6425. Interprets or applies sec. 602, 64 Stat. 813; 50 U. S. C. App. 2132)

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
[SEAL] MERRITT SHERMAN,
Assistant Secretary.

[F. R. Doc. 52-10185; Filed, Sept. 16, 1952; 8:50 a. m.]

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

Subchapter C—Office of International Trade

[6th Gen. Rev. of Export Regs., Amdt. P. L. 10 [1]]

PART 399—POSITIVE LIST OF COMMODITIES AND RELATED MATTERS

MISCELLANEOUS AMENDMENTS

A. Section 399.1 *Appendix A—Positive List of Commodities* is amended in the following particulars:

1. The following revisions in commodity descriptions are made to conform with revisions in *Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States*, as announced in P. B.-1, issued July 22, 1952, by the Bureau of the Census and make no substantive change in export controls.

Dept of Commerce Schedule B No.	Commodity	Unit	Processing code and related commodity group	GLV dollar value limits	Validated license required
	Refined oils:				
	Motor fuel and gasoline (report octane rating):				
501400	Blending agents, of petroleum origin (specify by name).	Gal.	PETR 1	100	RO
	Abrasives:				
540906 ★	Diamond grinding wheels, sticks, hones, and laps (specify carat weight of contained diamonds) (report loose industrial diamonds in 596005; diamond powder or dust, including compounds, in 540910) (see §§ 373.1, 373.9 of this subchapter).	Carat [2]	TOOL 1	None	RO
	Rails, trackwork, and track accessories:				
603850	Trackwork and track accessories, n. e. c. [3]	Lb.	STEE 14	100	RO
618857	Plumbers' brass goods (specify by name) (report brass pipe valves in 774465). [4]	Lb.	CDGS	25	RO
	Construction materials:				
618988	Other metals, except building paper, all copper-armored fibresn (report iron and steel construction materials, n. e. c. in 618986). [5]	Lb.	CDGS	100	RO
	Welding rods and wires:				
619039	Molybdenum [6]	Lb.	MINL	None	RO
	Metal powders:				
619159	Dutch metal; lead; and nickel flakes [7]	Lb.	NONF	100	RO
630320	Aluminum extruded and drawn shapes and tubes, except drawn bars, rods, and wire. [8]	Lb.	NONF	100	RO
630610	Aluminum wire (under ¾ inch), and cable, bare (including aluminum cable, steel reinforced—ACSR), except welding rods and wire (specify by name) (report welding rods and wire in 619039). [9]	Lb.	NONF	100	RO
642400	Copper rods and bars, n. e. c. (report copper-weld rods in 642510; copper wire bars and redrawing rods in 641200; and copper bus bars in 709405). [10]	Lb.	NONF	100	RO
645710	Cupro-nickel resistance wire; Dumet wire; and thermocouple wire (specify copper content). [11]	Lb.	NONF	25	RO
645710★	Beryllium copper wire, bare (specify copper content) [11]	Lb.	NONF	None	RO
645710	Brass and bronze wire, bare (including phosphor bronze) [11]	Lb.	NONF	25	RO
654519	Nickel and nickel alloy primary forms, n. e. c. (specify by name and nickel content) (report cupro-nickel wire in 645710). [12]	Lb.	NONF	25	RO
657050	Zinc scrap (zinc content) (report zinc dust in 619159). [13]	C. lb.	NONF	100	RO
	Construction power cranes and shovels, new (report used in 720160):				
720112	Crawler mounted, full revolving, convertible, 2¼ cu. yd. dipper capacity and under, or 50 net tons maximum rated crane capacity and under, new. [14]	No.	CONS	None	RO
	Industrial type trucks, tractors, trailers, and stackers (specially designed for materials handling in and around industrial plants, depots, docks, terminals and similar installations), and parts:				
720320	Industrial type tractors (whether for towing or provided with crane booms or winches). [15]	No.	CONS	500	RO
	Specialized mining machines and equipment, n. e. c., and parts, n. e. c.:				
730610	Slushers, 50 up to but not including 200 horsepower [16]	No.	MINE	None	R
730610	Other underground loading machines (report underground mine conveyers in 724905). [16]	No.	MINE	None	RO
	Pipe valves, except automatic control or regulating:				
	Brass, bronze, or other nonferrous metals:				
774465★	Valves designed for working pressures of 300 or more pounds per square inch. [17]	No.	GIEQ	None	RO
774465★	Valves and cocks with pressure parts wholly fabricated of, or lined with, any corrosion-resistant material as defined in the "General Notes to Appendix A." [17]	No.	GIEQ	25	RO
795170	Propeller shafts, metal, n. e. c. (specify metal) (report those for military watercraft in 795165). [18]	Lb.	TRAN	250	R
795170	Boat propellers, brass or bronze, of 12-inch diameter and over, and blades for such propellers (report those for military watercraft in 795165). [18]	Lb.	TRAN	None	RO
795170	Boat propellers, metal, except brass or bronze, for watercraft 18 feet in length and over, and blades for such propellers (specify metal) (report those for military watercraft in 795165). [18]	Lb.	TRAN	100	RO
	Plastics and resin materials:				
	Cellulose plastic materials (report manufactured plastic products in 981510 and 981590):				
	Cellulose acetate, cellulose acetate-butyrate, cellulose acetate-propionate, and other cellulose esters:				
826306	Molding and extrusion compositions (report cellulose acetate flake and powder, not plasticized, and cellulose acetate-butyrate flake and powder, not plasticized, in 832810). [19]	Lb.	RESN 66	100	R
832810	Cellulose acetate flake and powder, not plasticized, and cellulose acetate-butyrate flake and powder, not plasticized (excluding molding compositions). [20]	Lb.	RESN	25	R
832890	Cellulose acetate and cellulose acetate-butyrate in waste or scrap form, not plasticized. [21]	Lb.	RESN	25	R

★The commodities described in this Positive List entry are excepted from the provisions of General In-Transit License GIT. See § 371.9 (c) of this subchapter.

[1] This amendment was published in Current Export Bulletin No. 678, dated September 4, 1952.

[1] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 501400. The revision in commodity description makes no substantive change.

[2] Unit of quantity changed from pound to carat.

[3] The above revised entry is substituted for the two entries presently on the Positive List under Schedule B No. 603850. Rail bonds are now classified under Schedule B No. 709405.

[4] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 618857. All brass pipe valves are now classified under Schedule B No. 774465.

[5] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 618988. Building paper, all copper-armored fibresn, was formerly classified under Schedule B No. 484550. (See Part F for revision in processing code.)

[6] The Schedule B number is changed from 619038 to 619039.

[7] The above revised entry is substituted for the third entry presently on the Positive List under Schedule B No. 619159. Gilding powder and gold bronze powder are now classified under Schedule B No. 619140.

[8] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 630320.

[9] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 630610.

[10] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 642400.

[11] The Schedule B number is changed from 645700 to 645710.

[12] The Schedule B number is changed from 654309 to 654319.
[13] The above revised entry is substituted for the two entries presently on the Positive List under Schedule B No. 657050.
[14] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 720112.
[15] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 729020.
[16] The above two entries are substituted for the entry presently on the Positive List under Schedule B No. 730590. Slushers were formerly included in the first entry presently on the Positive List under Schedule B No. 723125.
[17] The above two entries under Schedule B No. 774465 are substituted for the two entries presently on the Positive List under Schedule B No. 774460. Brass pipe valves with working pressures not exceeding 125 psi W.O.G. rating formerly included in Schedule B No. 618837, are now included in Schedule B No. 774465.
[18] The above three entries are substituted for the three entries presently on the Positive List under Schedule B No. 795170.
[19] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 826305.
[20] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 832810.
[21] The above revised entry is substituted for the entry presently on the Positive List under Schedule B No. 832890.

This part of the amendment shall become effective as of September 4, 1952.

2. The following deletions are made to conform with revisions in *Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States*, as announced in P. B.–1, issued July 22, 1952, by the Bureau of the Census and make no substantive change in export controls.

Dept. of Commerce Schedule B No.	Commodity
	Welding rods and wires:
619037	Manganese (formerly 669180).[1]
	Nonferrous ores and concentrates, n. e. c. (specify by name) (report radium ore concentrates in 829040):
664598	Strontium.[2]
	Power-driven metalworking machine tools (nonportable) and parts:
740469	Cylinder reboring machines, and other reboring machines for garage use (formerly 793180).[3]
	Organic chemicals not of coal-tar origin, n. e. c. (specify by name):
832990	Ethyl cellulose.[4]

[1] Investigation shows no welding rods of manganese.
[2] Report strontium metal in Schedule B No. 664998.
[3] Report this commodity in Schedule B No. 793185.
[4] Report this commodity in Schedule B No. 826150.

This part of the amendment shall become effective as of September 4, 1952.

4. The following revisions are made in commodity descriptions. These revisions *Statistical Classification of Domestic and Foreign Commodities Exported from the United States*, as announced in P. B.–1, issued July 22, 1952, by the Bureau of the Census and make no substantive change in export controls.

Dept. of Commerce Schedule B No.	Commodity	Unit	Processing code and related commodity group	GLV dollar value limits	Validated license required
596098	Ferrocarbo (silicon carbide briquettes) [1]	Lb.	MINL	100	RO
	Metal powders:				
619140	Gilding; and gold bronze (specify copper content) [2]	Lb.	NONF	100	RO
619159	Zinc dust (specify zinc content) [3]	Lb.	NONF	25	RO
	Pole line, transmission, and distribution hardware, n. e. c., and specially fabricated parts, n. e. c.:				
709495	Aluminum bus bars [4]	Lb.	NONF	100	RO
709495	Copper bus bars [5]	Lb.	NONF	100	RO
709495	Rail bonds, wire [6]	Lb.	STEE	300	RO
	Physical properties testing and inspecting machines, n. e. c., and specially fabricated parts and accessories, n. e. c.:				
766990	Penetron gamma ray thickness meters, and specially fabricated parts and accessories, n. e. c.[7]		GIEQ	None	RO
793185	Cylinder reboring machines, and other reboring machines for garage use.[8]	No.	TOOL	100	R

[1] Formerly included in the entry presently on the Positive List under Schedule B No. 541140.
[2] Formerly included in the third entry presently on the Positive List under Schedule B No. 619159.
[3] Formerly included in the second entry presently on the Positive List under Schedule B No. 657050. The unit of quantity has been changed from content pound to pound, but for the purposes of export control the zinc content shall be specified on export license applications.
[4] Formerly included in the entry presently on the Positive List under Schedule B No. 630810.
[5] Formerly included in the entry presently on the Positive List under Schedule B No. 642400.
[6] Formerly included in the first entry presently on the Positive List under Schedule B No. 709850.
[7] Formerly included in the entry on the Positive List under Schedule B No. 703835 and the entry under Schedule B No. 703850.
[8] Formerly included in the second entry presently on the Positive List under Schedule B No. 740409.

This part of the amendment shall become effective as of September 4, 1952.

4. The following revisions are made in commodity descriptions. These revisions include changes in validated license control where indicated:

Dept of Commerce Schedule B No.	Commodity	Unit	Processing code and related commodity group	GLV dollar value limits	Validated license required
	Metal manufactures, n. e. c., not specially fabricated for particular machines or equipment (see § 399.2):				
	Other metals, except precious (specify by name and type of metal):				
619950	Aluminum molding; aluminum collapsible tubes; aluminum slugs; and aluminum shot (report crude form of aluminum shot in 630070).[1]	----------	NONF	100	RO
619960	Other aluminum and aluminum-base alloy manufactures, n. e. c.[2]	----------	CDGS	100	RO
619950	Burning bars (specify metal content) [3]	Lb.	NONF	100	RO
619950	Lead collapsible tubes [4]	Lb.	NONF	100	RO
619950	Other lead manufacturers, n. e. c.[5]	Lb.	CDGS	100	RO
619950	Nickel catalysts; and nickel slugs [6]	Lb.	NONF	100	RO
619960	Other nickel manufactures, n. e. c.[7]	Lb.	CDGS	100	RO
619950	Tenaplate (specify metal content) [8]	----------	NONF	100	RO
619950	Tin shot; tin slugs; and tin collapsible tubes [9]	Lb.	NONF	100	RO
619950	Other tin manufactures, n. e. c.[9]	----------	CDGS	25	RO
763035	Rubber tire and tube building machines, and specially fabricated parts, n. e. c. (specify by name).[10]	----------	GIEQ	250	RO
763045	Rubber tire repairing, recapping and retreading machines n. e. c., and specially fabricated parts, n. e. c. (specify by name).[10]	----------	GIEQ	500	RO
	Other industrial chemicals:				
839900	Cobalt compounds (report cobalt salts of organic compounds in 829750; cobalt-containing pigments in 842900; and cobalt-containing paint and varnish driers in 843600).[11]	----------	SALT	NONE	RO

[1] The effect of this revision is to list separately these commodities which are presently classified on the Positive List under the first entry for Schedule B No. 619950.
[2] The effect of this revision is to change the processing code from NONF to CDGS for other aluminum and aluminum-base alloy manufactures, n. e. c.
[3] The effect of this revision is to list separately this commodity which is presently included on the Positive List under the seventeenth entry for Schedule B No. 619950.
[4] The effect of this revision is to list separately this commodity which is presently included on the Positive List under the fifteenth entry for Schedule B No. 619950.
[5] The effect of this revision is to change the processing code from NONF to CDGS for the fifteenth entry presently on the Positive List under Schedule B No. 619950, and to reword the description without making substantive changes.
[6] The effect of this revision is to list separately these commodities which are presently included on the Positive List under the seventeenth entry for Schedule B No. 619950.
[7] The effect of this revision is to change the processing code from NONF to CDGS for the seventeenth entry presently on the Positive List under Schedule B No. 619950, and to reword the description without making substantive change.
[8] The effect of this revision is to list separately this commodity which is presently classified on the Positive List under the first entry for Schedule B No. 619950, and to require that the metal content be specified.
[9] The above two entries are substituted for the nineteenth and twentieth entries presently on the Positive List, under Schedule B No. 619950. The effect of this revision is to change the GLV dollar value limit for tin shot and tin slugs from $25 to $100, and to change the processing code from NONF to CDGS for tin manufactures other than tin shot, tin slugs and tin collapsible tubes.
[10] The above two entries are substituted for the three entries presently on the Positive List under Schedule B Nos. 763030, 763040, and 763050. The effect of this revision is to change the Schedule B numbers to conform to revisions announced by Bureau of the Census in P.B.-1, issued July 22, 1952; to delete the units of quantity; to reduce the GLV dollar-value limit from $500 to $250 for rubber tire and tube building machines and specially fabricated parts; and to remove rubber tire repairing, recapping and retreading machine parts from the commodities subject to the IC/DV procedure. The commodities included in the above first entry are subject to the IC/DV procedure (see § 373.34 of this subchapter).
[11] The above entry is substituted for the tenth entry presently on the Positive List under Schedule B No. 839900. The effect of this revision is to reduce the GLV-dollar-value limit from $100 to None. In addition, an "A" is also hereby added in the "Commodity List" column, indicating that the commodity is subject to IC/DV procedure (§ 373.34 of this subchapter), effective October 20, 1952, and a "B" is added indicating that the commodity is subject to the dollar-limit (DL) restrictions (§ 374.2 of this subchapter).

This part of the amendment shall become effective as of 12:01 a. m., September 11, 1952.

5. The dollar value limit in the column headed "GLV dollar-value limits" set forth opposite the commodities listed below is amended to read as follows:

Dept. of Commerce Schedule B No.	Commodity	GLV Dollar-Value Limits
	Metal powders:	
619140★	Beryllium copper	500
619151★	Beryllium and beryllium alloys, except beryllium copper	500
	Foil and leaf (less than .006 inch in thickness) (report paper-backed foil in 496300):	
619250★	Beryllium foil	500
	Beryllium:	
664506★	Metal and alloys (except beryllium copper) in crude form, and scrap (report beryllium copper in 664400–667950).	500
664509★	Primary forms n. e. c. (specify by name) (report beryllium copper primary forms in 644000–667900).	500
	Ammonium compounds, except fertilizers (report fertilizers and fertilizer materials in 850500–855100):	
838400	Ammonium nitrate	300
	Other industrial chemicals:	
839900★	Beryllium salts and compounds (including, but not limited to, beryllium oxide, beryllium nitrate, beryllium sulfate, beryllium carbonate, zinc beryllium silicate).	500

★ These commodities are excepted from the provisions of the General In-Transit License GIT. See § 372.9 (c) of this subchapter.

This part of the amendment shall become effective as of 12:01 a. m., September 4, 1952.

6. The following commodities are excepted from the General In-Transit License (GIT) procedure (§ 371.9 (c) of this subchapter). These commodities are identified on the Positive List by the symbol ★.

Dept. of Commerce Schedule B No.	Commodity
640500★	Copper matte, regulus, unrefined copper as blister or converter copper (copper content).
640100★	Copper ore and concentrates (copper content).
641200★	Refined copper in cathodes, billets, ingots, wire bars and other crude forms (include anodes) (report copper bars except wire bars in 642400).
641300★	Copper scrap (new and old) (see § 373.11 (e) of this subchapter).
642200★	Copper pipe and tubing.
642300★	Copper plates, sheets, and strips, including nickel-plated.
642400★	Copper rods and bars, n. e. c. (report copper-weld rods in 642510; copper wire bars and redrawing rods in 641200; copper bus bars in 709495).
642510★	Copper wire and cable, bare, for electrical conduction only (report electrical insulated copper wire in 709810–709885).
642510★	Copper wire and cable, bare, other than for electrical conduction (report welding rods and electrodes in 619020).
642900★	Copper primary forms: rough forgings and castings.
642900★	Other copper primary forms, n.e.c. (specify by name).
644000★	Copper-base alloy scrap (new and old) (see § 373.11 (c) of this subchapter.
644100★	Other copper-base alloy ingots.
644900★	Phosphor copper rods and bars (specify copper content).
644900★	Brass, bronze and nickel silver, or German silver bars, rods, and other crude shapes (extruded, rolled and drawn).
644900★	Other copper-base alloy bars, rods, and other crude shapes (extruded, rolled and drawn).
645000★	Brass and bronze blanks.
645000★	Brass and bronze circles.
645000★	Phosphor copper plates, sheets, and flat or coiled strip; and cupro-nickel strip (specify copper content).
645000★	Brass, bronze and nickel silver, or German silver, plates, sheets, and strips.
645000★	Other copper-base alloy plates, sheets, and strips.
645300★	Brass and bronze pipes and tubes (pipe coils included).
645300★	Phosphor copper pipes and tubes (specify copper content).
645300★	Seamless cupro-nickel pipes and tubes (specify copper content).
645300★	Other copper-base alloy pipes and tubes (pipe coils included).
645700★	Cupro-nickel resistance wire; Dumet wire; and thermo-couple wire (specify copper content).
645700★	Phosphor copper wire; cupro-nickel wire other than resistance wire; and nickel-silver wire (specify copper content).
645700★	Brass and bronze wire, bare (including phosphor bronze).
647913★	Brass and bronze castings and forgings, rough and semi-finished.
647913★	Other copper-base alloy castings and forgings, rough and semi-finished (specify copper content).
647950★	Brass and bronze in primary forms, n. e. c. (specify by name).
647950★	Other copper-base alloy primary forms, n. e. c. (specify by name).
	Tungsten:
664580★	Ores and concentrates.
664581★	Tungsten metal and alloys in crude form, and scrap (specify by name and tungsten content).
664583★	Tungsten carbide die inserts (specify tungsten content).
664583★	Other tungsten metal and alloys in primary forms, n. e. c. (specify by name and tungsten content).

★The commodities described in this Positive List entry are excepted from the provisions of General In-Transit License GIT. See § 371.9 (c) of this subchapter.

This part of the amendment shall become effective as of 12:01 a. m., October 4, 1952.

7. The letter "A" is inserted in the column headed "Commodity Lists" opposite the commodities listed below to indicate that they are subject to the IC/DV procedure (see § 373.34 of this subchapter):

Dept. of Commerce Schedule B No.	Commodity
541210	Abrasive products: Manufactured grinding wheels, of silicon carbide or aluminum oxide composition, including corundum.
832700	Cellulose nitrate lacquer base, wet down or plasticized.

This part of the amendment shall become effective as of October 20, 1952.

8. The letter "A" set forth in the column headed "Commodity Lists" opposite the entry for sodium nitrate fertilizer materials, Schedule B No. 850700, is hereby deleted to indicate that these commodities are no longer subject to the IC/DV procedure (see § 373.34 of this subchapter).

This part of the amendment shall become effective as of September 4, 1952.

9. The processing codes as set forth opposite the commodities listed below are amended to read as follows:

Dept. of Commerce Schedule B No.	Commodity	Processing codes
384985	Broad woven plastic fabrics based on vinyl or vinylidine chloride resins and copolymers thereof (e. g., Saran woven sheeting formerly 825420 and 825430).	RESN 66
	Tool bit blanks:	
617903	Containing tungsten carbide	TOOL
617905	Molybdenum tool bit blanks	TOOL
	Construction materials:	
618988	Other metals (specify by name and type of metal) (report iron and steel construction materials, n. e. c. in 618986).	CDGS
	Metal powders:	
619159	Selenium (specify selenium content and grade)	MINL
619850	Type, for printing (report type metal in 651510)	PRIN
	Metal manufactures, n. e. c., not specially fabricated for particular machines or equipment (see § 399.2):	
	Other metals, except precious (specify by name and type of metal):	
619950★	Beryllium copper manufactures	CDGS
619950★	Other beryllium and beryllium alloy manufactures	CDGS
619950	Copper manufactures	CDGS
619950	Selenium metal manufactures, n. e. e. (specify selenium content and grade)	CDGS
619950	Zinc manufactures	CDGS
619950	Other manufactures, n. e. e., of metals other than iron, steel, or precious metals [1]	CDGS
	Finished coal tar products, n. e. e., exclusive of medicinals (specify by name):	
806998	Ethyl centralite	COTA
806998	Methyl centralite	COTA
	Sodium compounds:	
837960	Sodium azide	SALT
	Ammonium compounds, except fertilizers (report fertilizers and fertilizer materials in 850500–855100):	
	Ammonium compounds, n. e. e. (specify by name):	
838500	Nitroguanidine	SALT
	Other industrial chemicals:	
839900	Lead azide	SALT

★The commodities described in this Positive List entry are excepted from the provisions of General In-Transit License GIT. See § 371.9 (c) of this subchapter.

[1] The following metal manufactures retain the Processing Code NONF: Aluminum molding, collapsible tubes, slugs, and shot; burning bars; lead collapsible tubes; nickel catalysts and slugs; tenaplate; and tin shot, slugs and collapsible tubes.

This part of the amendment shall become effective as of September 4, 1952.

Shipments of any commodities removed from general license to Country Group R or Country Group O destinations, or whose GLV dollar-value limits were reduced, as a result of changes set forth in item 4 of this amendment, which were on dock, on lighter, laden aboard an exporting carrier, or in transit to a port of exit pursuant to actual orders for export prior to 12:01 a. m., September 11, 1952, may be exported under the previous general license provisions up to and including October 4, 1952. Any such shipment not laden aboard the exporting carrier on or before October 4, 1952, requires a validated license for export.

B. Section 399.3 *Appendix C—Commodity Processing Codes* is simultaneously amended to reflect the changes in processing codes set forth in item 9 of this amendment.

(Sec. 3, 63 Stat. 7; 65 Stat. 43; 50 U. S. C. App. Sup. 2023. E. O. 9630, Sept. 27, 1945, 10 F. R. 12245, 3 CFR, 1945 Supp.; E. O. 9919, Jan. 3, 1948, 13 F. R. 59, 3 CFR 1948 Supp.)

KARL L. ANDERSON,
Acting Director,
Office of International Trade.

[F. R. Doc. 52-10030; Filed, Sept. 16, 1952; 8:45 a. m.]

TITLE 24—HOUSING AND HOUSING CREDIT

Chapter II — Federal Housing Administration, Housing and Home Finance Agency

Subchapter I—War Rental Housing Insurance

PART 283—MULTIFAMILY WAR HOUSING INSURANCE; ELIGIBILITY REQUIREMENTS OF MORTGAGE UNDER SECTION 608 PURSUANT TO SECTION 610 OF THE NATIONAL HOUSING ACT

1. Section 283.9 is amended to read as follows:

§ 283.9 *Eligible mortgages.* The mortgage must be executed in connection with:

(a) The sale by the Government, or any agency or official thereof, of housing acquired or constructed under Public Law 849, 76th Congress, as amended; Public Law 781, 76th Congress, as amended; or Public Laws 9, 73, or 353, 77th Congress, as amended; or

(b) The sale by the Government, or any agency or official thereof, of any of the so-called Greenbelt Towns, or parts thereof, including projects, or parts thereof, known as Greenhills, Ohio, Greenbelt, Maryland, and Greendale, Wisconsin, developed under the Emergency Relief Appropriation Act of 1935; or

(c) The sale by the Government, or any agency or official thereof, of any of the village properties under the jurisdiction of the Tennessee Valley Authority; or

(d) The sale by the Public Housing Administration, or by any public housing agency, with the approval of the said Administration, of any housing (including any property acquired, held, or constructed in connection with such housing or to serve the inhabitants thereof) owned or financially assisted pursuant to the provisions of Public Law 671, 76th Congress; or

(e) The first resale, within two years from the date of its acquisition from the Government, or any agency or official thereof, of any portion of a project or property of the character described in paragraphs (a), (b), (c) and (d) of this section; or

(f) The sale by a State or municipality, or an agency, instrumentality, or body politic of either, of any permanent housing (including any property acquired, held, or constructed in connection therewith or to serve the inhabitants thereof) constructed by or on behalf of such State, municipality, agency, instrumentality, or body politic, for the occupancy of veterans of World War II, their families, and others.

2. Section 283.11 is amended to read as follows:

§ 283.11 *Amount of principal obligation.* The mortgage must secure a principal obligation in multiples of one hundred dollars ($100) but not in excess of five million dollars ($5,000,000) and not in excess of 90 percent of the appraised value of the property as determined by the Commissioner, except that a mortgage of the character described in § 283.9 (f) shall not involve a principal obligation in excess of 85 percent of the appraised value of the property as determined by the Commissioner, and not in excess of $8,100 per family unit for such part of such property as may be attributable to dwelling use.

(Sec. 607, as added by sec. 1, 55 Stat. 61; 12 U. S. C. and Sup., 1742. Interprets or applies sec. 608, as added by sec. 11, 56 Stat. 303, as amended; 12 U. S. C. and Sup., 1743)

Issued at Washington, D. C., September 10, 1952.

B. C. BOVARD,
Acting Federal
Housing Commissioner.

[F. R. Doc. 52-10105; Filed, Sept. 16, 1952; 8:49 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter B—Claims and Accounts

PART 535—PAYMENT OF BILLS AND ACCOUNTS

CONDITIONS AFFECTING PAYMENTS OF COMMERCIAL ACCOUNTS

The center head "Payment Under Contracts, Formal and Informal" including §§ 535.5 through 535.9 and the center head "Prompt Payment of Bills and Accounts" including §§ 535.28 through 535.30 are rescinded, and the following as set forth above is substituted therefor:

Sec.

535.5 Assignment of claims or transfer of contracts.
535.6 Discounts.
535.7 Advance payments.
535.8 Partial payments.
535.9 Unsatisfactory performance.
535.9a Miscellaneous special cases.
535.9b Adjustments.

AUTHORITY: §§ 535.5 to 535.9b issued under R. S. 161; 5 U. S. C. 22. Interpret or apply R. S. 3477, as amended, 3737, as amended; 31 U. S. C. 203, 41 U. S. C. 15.

SOURCE: §§ 535.5 to 535.9b contained in AR 35-3220, July 18, 1952.

§ 535.5 *Assignment of claims or transfer of contracts*—(a) *Financing institutions.* A "company" regularly engaged in the financing business is not disqualified from accepting assignments under the Assignment of Claims Act of 1940 as "financing institution" solely because it consists of an individual or a partnership (20 Comp. Gen. 415). A business concern which merely as an incident to its principal business of acting as selling agent, advances money to pay for raw materials, labor, etc., is not a "financing institution" to which moneys due or to become due under a Government contract may be assigned under authority of the Assignment of Claims Act of 1940. 20 Comp. Gen. 415 distinguished. (See 22 Comp. Gen. 44; 31 id. 90.)

(b) *Transfer of entire business.* Where the entire business of a contractor is sold, the transfer is not such an assignment as is prohibited by sections 3477 and 3737, Revised Statutes, and payment to the transferee is authorized upon compliance with contract terms and the furnishing of a waiver from the original contractor. (See 9 Comp. Gen. 72.)

(c) *Assignments by operation of law.* Section 3477, Revised Statutes, applies to voluntary assignments and does not embrace cases in which the transfer of title is by operation of law such as the passing of title to heirs, devises, or assignees in bankruptcy. (See 10 Comp. Dec. 159; 3 Comp. Gen. 623; 9 id. 72.)

(d) *Merger.* The merger of a corporation or a change in the corporate does not operate to annul existing contracts between such corporation and the Government and is not of itself a change in the contractor's responsibility. (See 4 Comp. Gen. 184.)

(e) *Assignment of contract payments.* (1) The Assignment of Claims Act of 1940, authorizing the assignment of moneys due or to become due under Government contracts, does not authorize the assignment of the contract itself, and hence, it is the contractor's, and not the assignee's responsibility to execute required certificates on vouchers, invoices, etc., having reference to material facts incident to performance of the contract and establishing the right to payment. (See 20 Comp. Gen. 295.)

(2) Where there is a valid assignment of moneys payable under a Government contract, there is no necessity for a specific claim therefor from the assignee, but the voucher, invoice, or other data in support of a payment direct to the assignee should clearly indicate that the contractor recognizes the assignment, its validity, and the right of the assignee to receive payment. The form or means of indicating such recognition is not material insofar as the General Accounting Office is concerned. (See 20 Comp. Gen. 295.) The contractor's certification of a voucher on which the name of the assignee is shown is sufficient to give affect to this requirement.

(3) A Government contractor's right under the Assignment of Claims Act of 1940 to assign moneys due or to become due under its contract is not dependent upon the surety's acceptance of or acquiescence in the assignment, and, therefore, the assignee's right to receive otherwise proper payments under the contract is not affected by the fact that the contractor's surety has indicated a lack of consent to, or has "refused to accept," the assignment. (See 22 Comp. Gen. 520.)

(f) *Written notice of assignments.* (1) An "assignee" under the Assignment of Claims Act of 1940 who does not substantially comply with the requirement respecting the filing of "written notice of the assignment together with a true copy of the instrument of assignment" has no enforceable right against the Government under the assignment, but where a copy of an assignment is received and there is any doubt whether there has been a strict compliance with the "written notice" provision of the statute, the required written notice should be obtained from the assignee. (See 20 Comp. Gen. 424.)

(2) There is no objection to administrative instructions to the effect that the "true copy of the instrument of assignment," may consist of a duplicate original, a complete photostatic copy of the original, or a certified true copy of the original. However, with respect to certified copies, it would appear desirable that the certificate be executed by a notary public or other officer authorized by law to administer oaths. (See 20 Comp. Gen. 295.)

(3) A disbursing officer should not make payment to an "Assignee" under the Assignment of Claims Act of 1940 when there is any doubt as to compliance with the statutory requirement regarding written notices without first submitting the matter to the General Accounting Office for decision. (See 20 Comp. Gen. 424.)

(g) *Effect of assignee's delay in giving contractor's surety notice of assignment.* (1) The Assignment of Claims Act of 1940 does not specify any period of time within which written notice of an assignment of moneys due or to become due under a Government contract must be given to the contractor's surety, and, therefore, a delay of 5 months by the assignee in filing written notice of the assignment with the contractor's surety does not, of itself, subordinate the rights of the assignee to those of the surety as to future payments where such delay has not operated to the prejudice of the surety.

(2) Even though a Government contractor's assignee under the Assignment of Claims Act of 1940 delayed 5 months in giving the contractor's surety the written notice required by the act, the circumstances that the financial difficulties of the contractor may have come to the attention of the surety prior to such notice, or that the surety may have made advances to the contractor in ignorance of the assignment, would not effect the right of the assignee to continue to receive otherwise proper payments under the contract, in the absence of at least a showing that the surety would have taken a different course of action had it known of the assignment. (See 22 Comp. Gen. 520.)

(h) *Amounts due under change orders.* (1) The stipulation in contract providing for changes of any of the items or materials covered by the contract and the drawings and specification applicable thereto when ordered by the Government is as much an integral part of the agreement between the parties as any other part thereof, and, therefore, the obligations thus imposed date from the execution of the contract, even though the contract contemplates the execution of amendments from time to time covering such changes.

(2) Where, in accordance with the authorization in the Assignment of Claims Act of 1940 to assign "moneys due or to become due" under a public contract, a contractor has assigned to a particular assignee "all amounts payable" under its contract, separate assignments of amounts due under change orders issued pursuant to the "Changes" provision of the contract are not required in order for the assignee to be entitled to payment of all amounts payable under the contract, including amounts payable for work under change orders, until a duly executed release of the assignment has been properly filed. (See 23 Comp. Gen. 943.)

(i) *Release and reassignment.* A contractor who, pursuant to the Assignment of Claims Act of 1940, has assigned all moneys due or to become due under a Government contract may be considered as having reestablished his right to direct payment of the proceeds of the contract upon the filing, with those parties to whom the assignee was required by the act to give notice and a copy of the original assignment, of a written notice and true copy of a release and reassignment properly executed by the assignee. (See 22 Comp. Gen. 520.)

(j) *Payments under contracts for transportation services.* With respect to assignment of claims for transportation charges payable under Government bills of lading, see 21 Comp. Gen. 265 and 23 Comp. Gen. 989.

§ 535.6 *Discounts*—(a) *Responsibility for prompt rendering of invoices.* The responsibility for promptly furnishing a correct invoice, or bill, for deliveries under a contract is that of the contractor and the Government is entitled to discount offered for prompt payment, if payment is made within the discount period after receipt of a correct invoice. Date of receipt of invoice will be shown thereon. Discounts should not be taken on vouchers when the discount date has expired prior to payment, but the voucher should be returned to the certifying officer for certification in the full amount due.

(b) *Expedite handling of documents.* All documents relating to a cash discount transaction will be given preferential treatment with due regard to exigent factors in other accounts or transactions which do not provide discounts. Where discounts are involved, the originals and copies of the purchase instruments will be stamped "Discount—Expedite" by the initiating office, and the discount terms shown thereon underscored or circled in red to invite attention of all concerned to the possible priority status of the instrument and allied document.

(c) *Character of offer of discount.* (1) Deduction of discounts under agreements by the Government to purchase supplies is authorized only when the vendor has made an express offer of such discounts. In case of payment for articles purchased under a numbered contract, a statement as to discount shown on the printed commercial bill of the vendor submitted for payment will not be regarded as an express offer of discount. (See 23 Comp. Dec. 141; 2 Comp. Gen. 83; 5 id. 739). For prolonged offer of discount typed or stamped on invoice, see 25 Comp. Gen. 890.

(2) In cases of purchases other than under numbered contracts, a statement as to cash discount appearing on a dealer's invoice should be considered an offer of cash discount of which advantage should be taken, and any protest by a dealer against deduction of such discount, on the ground that his bid or the procuring instrument was silent as to cash discount, or that the procuring instrument showed the price to be net, should be considered as a claim to be submitted to the General Accounting Office for direct settlement. (See MS. Comp. Gen. B 53778, 14 February 1946.)

(3) Where discount was deducted but not earned, voucher for repayment of discount erroneously deducted will be paid by the disbursing officer without being referred to the Chief of Finance for settlement by the General Accounting Office where the facts clearly show that the vendor is properly entitled to payment.

(d) *Discount period*—(1) *Definition.* In the absence of specific stipulation to the contrary, the discount period is generally to be considered to begin on the date of delivery of the supplies to carrier when final inspection and acceptance are at point of origin, on date of delivery at destination or port of embarkation when final inspection and acceptance are at these points, or on the date correct bill or voucher properly certified by the contractor is received if the latter date is later than the date of delivery. (See 14 Comp. Gen. 721; 9 id. 161; 30 id. 10; 30 id. 125.)

(2) *Receipt of invoice by proper office.* Date of receipt of invoice is held to be the day on which the invoice is received in the office of the Government specified in the contract. Should the contractor fail to forward invoices to the proper office, any delay in receipt by the proper office is the direct result of the contractor's error in submission. (See MS. Comp. Gen. A 53305, 20 February 1934.)

(3) *Last day falls on Sunday.* Where the last day of the discount period falls on Sunday, the following business day is considered as being within the discount period. (See 20 Comp. Gen. 310.)

(4) *Computation of final date for payment.* As set forth in subparagraph (1) of this paragraph, the discount period is established by the date of receipt of the supplies or date of receipt of a proper invoice, whichever is later, and the final date for payment. In determining the actual final date on which payment

must be made, to come within the discount period, the date beginning the period is the day following the actual day of receipt of supplies or day of receipt of invoice, whichever is later, for example:

Goods delivered	Mar. 1, 1951
Invoice received	Mar. 4, 1951
Terms	2 percent, 10 days
Final date payment must be made to come within discount period.	Mar. 14, 1951

(See 20 Comp. Gen. 310; 30 id. 10.)

(5) *Date of payment.* Date of payment for discount purposes must be considered as the date of issuance of the check. Care should be taken to see that checks are mailed the same day they are dated where there is a question of discount involved and that the date of mailing of the checks in such cases be made a matter of record. (See MS. Comp. Gen. A 39516, November 30, 1931; MS. Comp. Gen. B 30491, January 21, 1943; 31 Comp. Gen. 260.)

(e) *Payment within discount period.* In all cases of bills for the payment of which on or before a certain date or within a certain time a cash discount is offered, advantage will be taken of the offer of such discount and payment made on or prior to the date on which the discount feature expires, if possible to do so.

(f) *In case of doubt.* In cases in which there is involved any question, as between the Government and the payee, of the right to deduct the discount, in the interest of making prompt payments, and to save the right of the Government to the discount if it is subsequently determined to have been properly deductible at the time of payment, the discount should be deducted and payment of the balance tendered the payee, who, if not satisfied, may accept the payment under protest and file claim in the General Accounting Office, either direct or through military channels for a refund of the amount deducted. (See 7 Comp. Gen. 537.)

(g) *Computation of discount where excise tax involved.* Federal excise taxes imposed upon items which are subject to cash discount will be included in the amount on which discount is computed, except in those cases where the contract or other instrument governing the taking of discount specifically provides otherwise and the tax is itemized separately on the invoice. Part 410 of this title contains a list of items on which Federal excise taxes are imposed by the Internal Revenue Code. In addition to such list, the regulation shows the taxes from which exemption is available with respect to sales made for the exclusive use of the United States. If an item is not listed in Part 410 of this title, payment of Federal excise tax should not be made thereon without prior submission of complete details of the transaction to the Chief of Finance, Department of the Army, Washington 25, D. C., Attn: Receipts and Disbursements Division, for instructions. Payment of Federal excise tax should not be made on items, where the tax is not shown on the vendor's invoice, even though the tax is listed in Part 410 of this title as applicable to the United States.

(h) *Discounts with respect to trade customs.* (1) Where a contract provides that a certain discount will be allowed if payment for the goods purchased thereunder is made within a stipulated period, the amount to be deducted as discount should be based on the price fixed in the contract even though such price should include the amount paid by the vendor as freight on the goods when delivered at destination. The amount allowed as a discount under a contract is the sum the vendor is willing to pay for payment of the account within a stipulated period, and it is immaterial whether such account represents the value of the goods sold at point of origin or includes other expenditures made by the vendor in accordance with the terms of the contract. (See 5 Comp. Gen. 868.)

(2) While trade or commercial custom is not accepted as conclusive in the interpretation of Government contracts generally, where goods purchased by a cost-plus-a-fixed-fee contractor were consummated under agreements to which the United States was not a party, the contractor's method of computing the vendor's offered discount on the net invoice price, exclusive of freight, in accordance with the prevailing commercial custom of the industry in that particular locality, rather than on the contract or delivered price, inclusive of freight, as is the rule with respect to Government purchases, will not be objected to by General Accounting Office. 5 Comp. Gen. 868, distinguished. (See 24 Comp. Gen. 277.)

(i) *Discount taken after deduction of export differential.* Where a contract for supplies provides that, as a consideration for furnishing the articles involved, the contractor should be paid the total sum specified therein, subject to a discount for prompt payment, but the contract price itself is subject to reduction with respect to such of the articles as are consigned for export shipment, the discount with respect to articles so consigned may be computed on the reduced contract price, that is, after deduction of the export differential, rather than on the full contract price, even though there is no provision to that effect in the contract. (See 22 Comp. Gen. 846.)

(j) *Discount on water bills.* Where a contract for furnishing water provided for payment therefor at certain specified meter rates, with discount for prompt payment, the contractor is entitled to the full specified meter rates upon failure of the Government to make payment within the time specified for the allowance of discount. (See 12 Comp. Gen. 274; 16 id. 151.)

(k) *Responsibility for loss of discount.* (1) It is the responsibility of the disbursing officer to establish internal office procedures which will permit advantage to be taken of any offered discounts. However, should the payment documents be received in the disbursing office at such time as to preclude taking advantage of the offered discount, the disbursing officer is not required to justify failure or to obtain waivers for failure to take advantage of discounts in those cases where payment is made after the expiration of the discount period.

(2) The General Accounting Office has no alternative but to disallow credit in the accounts of the disbursing officer for the amount of offered discounts not deducted where it is determined that they were deductible at the time of payment. (See MS Comp. Gen. B 31627, June 23, 1943.)

(l) *Loss of discount no cause for further delay in payment.* Request for advance decision of the Comptroller General as to the propriety of payment, or submission of an account to the General Accounting Office for direct settlement, solely because of loss of discount, is not necessary. In no case should payment be further delayed because a discount has been lost through delayed payment.

§ 535.7 *Advance payments*—(a) *Advances of public money prohibited.* No advance of public money shall be made in any case unless authorized by the appropriation concerned or other law. And in all cases of contracts for the performance of any service, or the delivery of articles of any description, for the use of the United States, payment shall not exceed the value of the service rendered, or of the articles delivered previously to such payment. (See R. S. 3648; sec. 11, Act August 2, 1946 (60 Stat. 809; 31 U. S. C. 529).

(b) *Procedure for making advance payments.* For policies and provisions for advances, interest, etc., under authority of title II, First War Powers Act (55 Stat. 839; 50 U. S. C. App. 611), as amended, and Executive Order 10210, February 2, 1951 (3 CFR 1951 Supp.), see Part 431 of this title and Subpart I, Part 590 of this chapter.

(c) *Periodicals.* Subscriptions to newspapers, magazines, periodicals, and other publications may be paid in advance (Act April 27, 1914 (38 Stat. 362; 31 U. S. C. 530)). Subscription charges for newspapers, magazines, and other periodicals for official use of any office under the Government of the United States, or the municipal government of the District of Columbia may be paid in advance from appropriations available when it is proved more economical to take advantage of such subscriptions, notwithstanding, the provisions of section 3648, Revised Statutes (31 U. S. C. 529). (See Act June 12, 1930 (46 Stat. 580; 31 U. S. C. 530) 23 Comp. Gen. 326; 24 id. 163.)

(d) *Change in rental rate.* While no adjustment in rent or other charges is ordinarily authorized in the event of the termination of a tenancy or change in rental rate between rent days where the rental or other charges are payable in advance unless the contract or lease provides otherwise, an apportionment of rent charges is authorized where the Government, as lessor, anticipating its need for possession of a portion of the leased premises between rent days, effects an arrangement, prior to the rent due date, whereby payment of the month's rental is withheld by the lessee subject to later adjustment to conform to the reduced rental which was to become effective upon the surrender of the

involved portion of the premises. (See 22 Comp. Gen. 599.)

(e) *License to use patent for its life.* The payment of a lump sum for a license to use a patent for its remaining life (15 years) is not in contravention of the prohibition in section 3648, Revised Statutes, against payment for services in advance of their rendition, and, therefore, there is no legal objection to the purchase of such a license the subject matter of which is reasonably within the objects for which the appropriation to be charged is available during the current fiscal year. (See 22 Comp. Gen. 904.)

(f) *Payment for articles delivered and accepted.* When a supply contract provides for payment "for articles delivered and accepted" and that the contractor shall be responsible for the supplies or materials "until they are actually in the possession of a Government representative at destination," payments thereunder upon the basis of vouchers or invoices supported by evidence of shipment, only, without evidence of arrival of the supplies at destination and without assurance of receipt or acceptance of such supplies by the Government, would be unauthorized. (See 20 Comp. Gen. 230.)

(g) *Payment in advance of delivery of article.* While, under the advance payment prohibition of section 3648, Revised Statutes, payment may not be made for articles in which the United States has acquired no right or interest and from which it derives no benefit, payment may be made for articles in advance of actual delivery if title therein has vested in the Government at the time of payment, or if the articles are impressed with a valid lien in favor of the United States in an amount at least equal to the payment. 15 Comp. Dec. 74, distinguished. (See 20 Comp. Gen. 917 and § 535.8(c).)

§ 535.8 *Partial payments*—(a) *Unnumbered contracts.* Partial payments, not to exceed five in number on any given contract, may be made with respect to partial deliveries under unnumbered contracts, including purchase orders, amounting to less than $5,000 (which provide for single payment), provided that the original signed contract is attached to the first payment voucher. There will be indicated on each payment voucher reference to all preceding payments under the contract showing: name of disbursing officer; period of account; voucher number; and amount paid. (See MS. Comp. Gen. B 45107, April 22, 1952.)

(b) *Under contracts containing partial payments clause.* (1) Partial payments may be made under contracts which contain the partial payments clause prescribed in § 596.150–1 of this chapter. Partial payments on vouchers under contracts containing the partial payments clause may be made without supporting papers or evidence prior to receipt of approval of the General Accounting Office to have such contracts audited locally under the decentralized audit plan, provided the contracting officer, or his duly authorized representative, advises the disbursing officer in writing that application has been made to the General Accounting Office for inclusion of the subject contracts in local audit projects by field units of the General Accounting Office.

(2) Upon receiving a written notification that contracts against which partial payments have been made, as outlined in subparagraph (1) of this paragraph, have in fact been accepted by the General Accounting Office for inclusion in local audit projects of their field units, disbursing officers will notify the contracting officer, or his duly authorized representative, of the amounts paid on the partial payment vouchers and request a written notification be furnished from the local representative of the General Accounting Office that said partial payments will be included in the local decentralized audit plan. Upon receipt of such written notification, payment of the amounts withheld on the partial payment vouchers will be made on certified vouchers without further supporting papers or evidence.

(3) In case the application for inclusion in the decentralized audit plan is not approved by the General Accounting Office, payment of the amounts withheld will not be made unless and until the necessary supporting papers and evidence covering both partial and final payments are furnished.

(c) *Payment in advance of delivery of article.* (1) Where the Government is presently unable to fulfill its obligation under a contract for office equipment by accepting and making final payment therefor, the contract may be modified to provide for the taking of title to the equipment in storage and to permit partial payment, provided the contractor's performance bond surety will consent thereto, and if the modifying instrument provide that the contractor shall be responsible absolutely for the care and protection of the equipment, and that the contractor will remain liable for the fulfillment of the terms and conditions of the original contract. (See 20 Comp. Gen. 917; 28 id. 468.)

(2) While, under the advance payment prohibition of section 3468, Revised Statutes, payment may not be made for articles in which the United States has acquired no right or interest and from which it derives no benefit, payment may be made for articles in advance of actual delivery if title therein has vested in the Government at the time of payment, or if the articles are impressed with a valid lien in favor of the United States in an amount at least equal to the payment. 15 Comp. Dec. 74, distinguished. (See 20 Comp. Gen. 917.)

(d) *Doubtful cases.* Where a disbursing officer is in doubt as to the legality of a portion of the amount covered by a voucher which is before him for payment, only the amount in doubt will be withheld for submission to the Comptroller General or transmission to the General Accounting Office, and payment will be made to the contractor of such portion of the voucher as is not in question. Disbursing officers will consider such vouchers with a view to paying the maximum amount consistent with protection of the interests of the Government.

(e) *Waiver of contractual claims.* Certain cost-plus-a-fixed-fee contracts issued in connection with construction projects require as a condition to final payment that the contractor execute a release of all claims against the Government arising under the contract other than such claims as are specifically excepted from release in stated amounts set forth therein. Contracting officers, however, have been authorized to waive the contractual requirement that claims excepted from the operation of the release be in stated amounts where the claims involved are claims for reimbursement under the contract of payments arising out of any employment by the contractor in connection with the contract work and based on the maximum hour and overtime provisions of the Fair Labor Standards Act or are claims in connection with any proceedings for the enforcement thereof. Disbursing officers will accept such releases, when accepted by the contracting officer, as being in full compliance with the contract provisions, and will make final payment thereagainst when otherwise proper.

§ 535.9 *Unsatisfactory performance*—(a) *Nature*—(1) *Default.* Default is the refusal or the failure of a contractor to carry out the terms of a contract. (See § 406.103–11 of this title.)

(2) *Delay.* Delay is the failure or the refusal of the contractor to furnish supplies or services within the time limit fixed in the contract.

(3) *Unsatisfactory supplies.* Unsatisfactory supplies are supplies which have been inspected and payment has been made for the supplies and then subsequent use or inspection reveals the supplies to be not in accordance with the terms of the contract. (See 8 Comp. Gen. 103.)

(b) *Liquidated damages*—(1) *Definition.* Liquidated damages are defined as the amount, determinable from stipulations in a contract between a contractor and the Government, to be paid to the Government, in lieu of actual damages, as a result of failure or delay by the contractor in complying fully with the contract provisions.

(2) *Contract provision.* Except with the permission of the chief of the technical service concerned (which may be granted with respect to contracts individually or by class), or in accordance with general instructions given by him, no contract shall provide for liquidated damages in the event of default. Where a contract provides for liquidated damages and default takes place, action will be taken as provided in the Armed Services Procurement Regulations, (Subchapter A of this title), promptly on behalf of the Government to enforce any remedies available under the contract. So far as possible, such action will be taken in such manner as will prevent the inequitable accumulation of liquidated damages. (See § 406.105–5 of this title and § 596.105–5 of this chapter.)

(3) *Remission.* Whenever any contract includes a provision for liquidated damages for delay, the Comptroller General on the recommendation of the Secretary of the Army is authorized and

empowered to remit the whole or any part of such damages as in his discretion may be just and equitable. (See sec. 6, Act February 19, 1948 (62 Stat. 24; 41 U. S. C. Sup. IV, 155) (§ 596.105–5 (d) of this chapter).)

(4) *Claims for liquidated damages withheld.* Whenever, under a contract containing a liquidated damages clause, the contractor fails to perform within the stipulated period and the time is not extended or the liquidated damages waived, the disbursing officer will deduct the maximum amount of liquidated damages for which the contractor may be liable and claim credit for the net amount only, crediting the amount so deducted to the applicable Reserve for Settlement of Claims account, subject to a determination whether all or part of the amount of liquidated damages withheld is due to the contractor and, if appropriate, the taking of action set forth in subparagraph (5) of this paragraph. Generally, amounts withheld on account of liquidated damages will not again become available for obligation or for payment by disbursing officers and pay protests made by the contractor against the deduction of liquidated damages will be forwarded together with a statement of all payments made, citations to all vouchers, and a detailed statement from the contracting officer, through the Chief of Finance, Washington 25, D. C., Attn: Receipts and Disbursements Division, to the General Accounting Office. However, Reserve for Settlement of Claims established from "No year" or "Available until expended" appropriations may be transferred from the Reserve Account to the account originally charged and treated as unobligated balances available for expenditure when no objection to the deduction for liquidated damages have been raised by the contractor within a period of 2 years or more. (See 16 Comp. Gen. 374.)

(5) *Submission of claims.* (i) Except in those cases where appeals are made to higher authority, under specific contractual provisions, against determinations of fact by contracting officers, the claims or protests of contractors and vendors arising from the deduction of amounts for liquidated damages will be forwarded through the Chief of Finance to the General Accounting Office. The claim or protest will be accompanied by a statement of all payments made, citations to all vouchers, and a detailed statement from the contracting officer, and by citations to the symbols and titles of the appropriations against which funds are reserved for settlement.

(ii) Upon receipt of evidence from the General Accounting Office that a claim has been settled direct or upon payment of a claim by a disbursing officer pursuant to proper authorization by the General Accounting Office, the Chief of Finance will charge the amount of the settlement or payment to the applicable Reserve for Settlement of Claims account.

(c) *Special cases.* (1) Where a contract contains a liquidated damages clause based on the contract price and also contains an offer of discount for prompt payment, the liquidated damages should be deducted on the basis of the gross contract price and without regard to the discount. The discount is likewise to be computed on the gross contract price without regard to the amount of the liquidated damages. (See 18 Comp. Gen. 784.)

(2) Where a contract contains a liquidated damages clause based on the contract price, which price is subsequently modified, and also contains an offer of discount for prompt payment, the liquidated damages and the discount should each be computed on the basis of the modified contract price. (See 18 Comp. Gen. 784.)

(3) Where a contract contains a liquidated damages clause based on the contract price and also contains clause providing for price reduction and for penalties, the liquidated damages should be computed on the price as revised but without regard to any penalties that may be assessed. (See 18 Comp. Gen. 784.)

(4) Liquidated damages need not be deducted for delays resulting from changes in specifications covered by change orders issued in accordance with provisions of standard forms of contracts. The change order should specify the changes, increase or decrease in price, and the number of days added thereby. (See MS. Comp. Gen. A 26558, April 1, 1929.)

(5) Where a contract contains a delay-liquidated damages clause which provides that if the contractor refuses or fails to make delivery of the materials or supplies within the time specified, the contractor shall pay to the Government liquidated damages for each calendar day of delay in making delivery and which gives the Government the additional right to terminate the contract and to purchase similar material or supplies from another source and to charge against the contractor any excess cost occasioned the Government thereby, together with liquidated damages accruing until such time as the Government may reasonably procure similar material or supplies elsewhere, liquidated damages are assessed against the contractor for all deliveries which were due at the time the contract was terminated, as well as with respect to deliveries due to be made under the contract subsequent to the date of termination thereof. (See MS. Comp. Gen. B 86513, May 29, 1951.)

(6) Where a contractor abandons his contract, necessitating the termination thereof by the Government and the subsequent reletting of the uncompleted portion of the work to another contractor, no liquidated damages accrue to the United States after the date of termination in the absence of a provision in the contract that liquidated damages will not cease to accrue at the time of termination. (See 7 Comp. Gen. 409; 11 id. 81; 15 id. 903; 17 id. 503.)

(7) Partial payments, as distinguished from final payment, may be made on periodical progress reports without deduction of liquidated damages for time intervening between the effective date of an order for suspension of work and the effective date of an order to resume work, or delivery of supplies. (See 8 Comp. Gen. 80.)

(d) *Actual damages*—(1) *Provisions in contract.* Whenever under a contract containing provisions for actual damages the contracting officer determines that the failure to complete the contract within the specified time did not result in any actual damage to the Government, the provisions of subparagraph (2)(iv) of this paragraph will apply.

(2) *No provisions in contract.* (i) Where no specific provision is made in a contract for either liquidated or actual damages, the contractor is, upon failure to complete the contract within the specified time, chargeable with all expenses caused the Government by the delay as actual damages, unless the delay is excusable under the provisions of the contract or under statutory provisions. (See sec. 301, Act March 27, 1942 (56 Stat. 177; 50 U. S. C. App 633).)

(ii) Where there has been delay in performance under a contract which does not contain a provision for damages, the contracting officer will determine whether or not the delay resulted in actual damage to the Government.

(iii) In cases where the contracting officer has determined that the delay resulted in actual damage to the Government, the contracting officer will furnish for the file with the voucher a statement of damage resulting from the delay.

(iv) In cases where the contracting officer has determined that the delay did not result in actual damage, the contracting officer will not be required to furnish a certificate to that effect, except as hereinafter provided. In all cases where the voucher is not accompanied by a statement as to damages, it will be assumed that the contracting officer has determined that no actual damage resulted or that the contractor was not responsible for the delay, and the disbursing officer will make full payment of the voucher, if otherwise correct. If in any such case the General Accounting Office should, after payment of the voucher, request a certificate, the contracting officer will prepare and furnish a certificate that the delay did not result in any actual damage to the Government.

(e) *Disposition of amounts collected because of contractor's default or unsatisfactory supplies*—(1) *Default.* Amounts collected on account of actual damages or excess costs charged to defaulting contractors will be credited to "Miscellaneous Receipts." (See MS. Comp. Gen. A 26073, March 20, 1929; August 8, 1929; 10 Comp. Gen. 510.)

(2) *Unsatisfactory supplies.* Amounts refunded because of the rejection of unsatisfactory supplies will be credited to the appropriations from which the original payments were made. (See 8 Comp. Gen. 103.)

(f) *Set-offs.* The Government always has the right to set-off against an amount due to a claimant any sum the claimant owes the Government, either under the same or other contracts or obligations. (Barry v U. S., 229 U. S. 47; 37 Op. Atty. Gen. 215; 7 Comp. Gen. 186; 18 id. 524.) The right of set-off does not apply to unliquidated demands, but the Government has the equitable right to withhold payment of moneys due under one contract to a contractor who is in default under another contract

until his indebtedness thereunder can be liquidated (7 Comp. Dec. 213). Where a contract so provides, payment to an assignee shall not be subject to reduction or set-off for any indebtedness of the assignor arising independently of the assigned contract. (See 31 Comp. Gen. 90.)

§ 535.9a *Miscellaneous special cases*—(a) *Indefinite quantities and unlimited amounts.* It has been stated that contracts for indefinite quantities are invalid. This is merely the statement of the general legal principle that the undertakings of the parties to a contract must be sufficiently definite to be capable of enforcement. Thus in 14 Comp. Gen. 446, is was stated that one of the first and most important requisites of a valid contract is that the terms thereof shall be certain, definite, and specific and that, while it may not be possible to determine definitely the quantities which may be required under certain conditions, there appears no reason why there should not be an estimated quantity specified with a variance of 10, 20, or 25 percent. It has also been stated that contracts purporting to obligate the Government to pay unlimited amounts are not authorized. This statement reflects the principle that, with certain exceptions, no contract or purchase on behalf of the United States shall be made unless the same is authorized by law or is under an appropriation adequate to its fulfillment (R. S. 3732; 41 U. S. C. 11); whereas an obligation involving payment of an unlimited amount might exceed the appropriation. (15 Comp. Dec. 405, 407; 5 Comp. Gen. 450, 454.) The obligation of funds in advance of or in excess of available appropriation is prohibited. (R. S. 3679; sec. 1211, Act September 6, 1950 (64 Stat. 765; 31 U. S. C. Sup. IV, 665)). These principles do not invalidate the so-called "indefinite quantity contracts" under which the contractor undertakes to furnish all of the actual requirements of a Government agency for a particular item and the Government agency in turn agrees to purchase from the contractor all of its requirements of that item during the specified period. (19 Comp. Gen. 599.) Likewise, these principles do not affect the validity of cost-plus-a-fixed-fee contracts authorized by law, pursuant to which a contractor agrees to deliver a specified quantity of items or to perform a specified service, and to pay an undetermined amount to be computed by adding to the fixed fee the actual cost incurred.

(b) *Rates effective "until further notice."* In the absence of competition there is no objection to entering into agreements for public utilities services at stipulated rates "until further notice," without necessity for new agreements or annual renewals except to cover changes in rates or services. Unless the interests of the Government require otherwise in a particular case, the original agreements and all changes will be filed in the General Accounting Office and the vouchers will cite the agreement involved and bear a statement by a responsible officer of the public utility concerned as to the rates charged. Payment may not be made for service in an amount stipulated in a substitute agreement which is in excess of the rate stated in the original contract, effective "until further notice," prior to the date of actual receipt of the substitute agreement by the proper administrative representative of the Government. (See 15 Comp. Gen. 920; MS. Comp. Gen. A 65231, December 15, 1936.)

(c) *Customs duties on foreign purchases*—(1) *Duty free purchases.* The Act June 30, 1914 (38 Stat. 399; 34 U. S. C. 568) authorized the Secretary of the Navy to make emergency purchases of war material abroad and provided that the same shall be admitted free of duty. By Executive Order 9177, May 30, 1942 (3 CFR 1943 Cum. Supp.), this authority was extended to the Secretary of the Army and others.

(2) *Payment of customs duties.* Where the importation is not duty free, the amount of the customs duty is properly chargeable to the same appropriation as the purchase, notwithstanding the fact that the importation and the purchase are in different fiscal years. (See 26 Comp. Dec. 610.)

(3) *Philippine export tax.* No export tax shall be imposed or collected by the Philippines or the United States on articles exported to or from one another.

(d) *No valid contract.*—(1) *Approval of contract.* If approval of a contract by any officer or official of the Army Establishment other than the contracting officer is required, the "Approval of Contract" clause set forth in § 406.105–2 of this title will be included, all changes and deletions will have been made before such approval is requested, and the contract will not be valid until such approval has been obtained. (See § 590.604–13 of this chapter.)

(2) *Lost contract.* Where a contract properly executed has been lost, its contents may be proved by the production of the original proposal, a certified copy of its acceptance, and an unsigned copy of the contract, so as to authorize payment at the contract rates for supplies which have been actually delivered. (See 4 Comp. Dec. 82.)

(3) *Informally executed agreements.* When payment has been made and accepted under an agreement shown to be reasonable, but informally executed, the transaction is complete and both parties are bound thereby. (See 24 Comp. Dec. 226.)

(4) *Quantum meruit.* (i) Accounts covering supplies furnished or services rendered before the making of a contract, without a valid contract, or where otherwise settlement is on a quantum meruit basis, should be transmitted to the Chief of Finance for processing under section 17 of the Contract Settlement Act of 1944 or for transmission to the General Accounting Office (M. S. Comp. Dec. A. D. 4997, 6 August 1920). For exception see subdivision (iv) of this subparagraph.

(ii) The agreed price, if any, is prima facie but not conclusive evidence as to the correct price. (See 8 Comp. Dec. 526; 20 id. 437.)

(iii) Where a military order commandeered labor and property upon the terms and with compensation as set forth therein, and the parties to whom the order was directed could not have refused to obey it, the Government is liable on an implied contract to pay them on a quantum meruit basis the value of the labor material, supplies and equipment furnished thereunder. Such agreement may not be considered a contract within the meaning of that word, as used in statutes prohibiting the procurement of supplies of labor under contracts on a cost-plus-a-percentage-of-cost basis. However, in support of reimbursement vouchers, there should be furnished such evidence as will satisfactorily establish that the labor and materials involved were actually furnished pursuant to orders, and, where reimbursement is to be made for the actual cost thereof, evidence that the amounts claimed have actually been paid. (See MS. Comp. Gen. B 36873, October 16, 1943.)

(iv) Notwithstanding the provisions of subdivision (i) of this subparagraph a cost-plus-a-fixed-fee contractor may be reimbursed for proper expenses which were not included in the fixed fee and which were incurred in connection with expediting performance of work under the contract prior to its formal execution, but after verbal notification that the contract would be awarded. (See 21 Comp. Gen. 462.)

(5) *Informal commitments.* Informal commitments will be entered into under the circumstances only as authorized by § 590.909–1 (c) of this title, and pursuant to the instructions of the head of a procuring activity. Informal commitments will not be entered into for specific amounts. The basis of payment will be "fair compensation" as approved by the appropriate approving authority, depending upon the amount involved. (See § 592.409 of this title.)

(e) *Penalty for nonpayment.* The United States is liable under an implied contract for the payment of a penalty prescribed by a city ordinance to be added to delinquent water rents for their nonpayment within a prescribed time when it takes the water from the city while such an ordinance is in force and is delinquent in paying therefor. (See 12 Comp. Dec. 640.)

(f) *Postal charges.* Where a procuring instrument provides for payment by the Government of transportation charges and the vendor is directed by proper authority, either in the procuring instrument or by separate instructions, to ship via parcel post, postal charges are reimbursable and will be included in the vendor's invoice as a separate item. The vendor's certificate on the invoice will be accepted as sufficient evidence of the correctness of such charges and it will not be required that any additional certificate or other supporting evidence, such as verification by weight or postal zone, be furnished.

(g) *Subsistence claims.* Claims received from railroad companies and others concerned covering incidental expenses of subsistence incured by troops while en route, where reimbursement by train commanders is impossible because the organizations have departed for oversea destinations, will be forwarded to the Chief of Finance, Washington 25, D. C., Attn: Receipts and Disbursements Division.

(h) *Withholding final payment due to Notices of Exceptions.* The fact that Notices of Exceptions are outstanding which can be cleared by furnishing certain information or supporting papers, or that the General Accounting Office has not audited prior payments, is no reason for withholding subsequent or final payments, and such action should in no instances be taken when it is apparent that the Notices of Exceptions can be cleared or there are other current contracts in existence with the contractor involved from which recoupment can be made in case the Notices of Exceptions finally result in disallowances by the General Accounting Office.

(i) *Guarantee deposits.* (1) Checks of contractors representing guarantee deposits of bidders submitted in lieu of performance bonds will, upon award of the contract or as soon thereafter as is practicable, be disposed of as follows:

(i) The deposit of the successful bidder will be turned over to the local disbursing officer who will receipt therefor and place it in a deposit account, until the transaction is completed, whereupon the amount of the deposit will be credited to the last payment or refunded by the disbursing officer by use of a Standard Form 1049 (Public Voucher for Refunds).

(ii) Where, upon a contractor's default and after readvertisement for bids, the Government elected to have the work performed on a basis entirely different than that contemplated under the original contract because the only bid received upon readvertisement was considered excessive, the defaulted contractor is liable to the Government for any damages arising out of the breach, representing the difference between the original contract price and the reasonable cost of completing the work as originally specified, together with the cost incurred by the readvertisement for bids and such other administrative expenses as may be directly attributed to the default.

(2) In the absence of express or clearly implied stipulation to the contrary, a deposit to secure faithful performance of a Government contract is regarded merely as a guarantee against such loss or damage as is actually occasioned the Government by breach of the contract, rather than as a liquidation in advance of the damages which might result from the contractor's default so that a breach of the contract does not of itself give the Government an absolute right to the amount deposited; but the Government may exercise its common-law right to retain and resort to such deposit for application or set-off against damages resulting from default.

(3) An election by the Government, upon a contractor's default, to have the work performed on an entirely different basis than that contemplated under a defaulted contract, due to the fact that the only replacement bid received appeared excessive, does not relieve the contractor from liability for damages. It may be taken as an indication that the reasonable cost of completing the work as originally specified would have been in excess of the contract price at least to the extent of the defaulting contractor's deposit to secure faithful performance, and, therefore, refund of the deposits is not authorized. (See 23 Comp. Gen. 234.)

(4) Deposits of unsuccessful bidders will be returned by the contracting officer when the award is made.

(j) *Rights in sureties.* Settlement with the contractor and surety will be made by the General Accounting Office in accordance with the following. A surety which completes work under a contract on which it is surety is subrogated to the rights of the contractor against the Government for the unpaid balance due from the United States on that contract and also to the rights of the Government against the contractor for the excess cost of completing the work or furnishing the materials and supplies and therefore, the surety is entitled to be paid by the Government the cost to the surety of completing the work but no profit. The contractor is entitled to be paid for work performed by it, if any funds are available for such payment after reimbursing the surety. The total payment by the Government must not exceed the contract price. It is the practice to require releases from the contractor and the surety. Payment into court of the balance should not be made. The amount remaining due may be paid to the assignee of a receiver where the court orders the receiver to accept the assignee's offer to complete the work in consideration of receiving all the payments and retained percentages due. (See 16 Comp. Dec. 351; id. 490; 26 id. 467; 3 Comp. Gen. 623; 5 id. 995; 8 id. 36; id. 58; id. 266; id. 318; id. 435; 14 id. 567.)

(k) *Payments due deceased or incompetent creditors*—(1) *Deceased.* All claims for amounts due accounts of individual deceased creditors of the United States, except military personnel and civilian officers and employees, will be made on Standard Form 1055 (Claim Against the United States for Amounts Due in the Case of a Deceased Creditor). Claims to be submitted on such form are for direct settlement by the General Accounting Office and will include, among other things, payment due deceased contractors and other public creditors for supplies furnished or services rendered. Claim for payment of Government checks drawn on the Treasurer of the United States or other authorized Government depositary to the order of such public creditors, which cannot be paid because of the death of the payee, will also be stated on the newly revised claim form. (See General Regulations 104—Revised.)

(2) *Incompetent.* No form is prescribed for use of guardians or committees of estates of minors or incompetents in making claim for sums due from the United States. However, an application setting forth the entitlement of the minor or incompetent to sums due from the Government, giving the name of the department and bureau, establishment, or agency, must be submitted by the guardian or committee over his or her signature and address accompanied by a short certificate of the court showing the appointment and qualifications of the claimant as guardian or committee. All Government checks drawn on the Treasurer of the United States or other authorized Government depositary to the order of individuals, which cannot be paid because of the incompetency of the payee, should accompany the claim. Applications for subsequently recurring payments need not be accompanied by an additional certificate of the court, but must be supported by a statement that the appointment is still in full force and effect. Where the total amount due the estate of the minor or incompetent is small, and no guardian or committee of the estate has been or will be appointed, payment may be made, in the discretion of the Comptroller General, to the person, or persons, having care or custody of the minor or incompetent, or to close relatives who will hold the amount for the use and benefit of the minor or incompetent. (See General Regulations 104—Revised.)

§ 535.9b *Adjustments*—(a) *Mistakes in contract price.* Where a contractor claims payment in addition to the contract price on the ground that a mistake was made in the contract price, consideration may be given to whether the contract should be amended in accordance with the procedure outlined in § 591.405 and Subpart I, of this chapter and Part 590 of this chapter. In the event that the contract is amended in accordance therewith, payment will be made in accordance with the contract as amended. Otherwise, only the price specified in the contract will be paid and the contractor will be advised to present to the General Accounting Office any protests he may have in connection with the settlement as made.

(b) *Contract provisions for price adjustment.* Where contracts contain price escalation or price redetermination clauses, payment will be made in accordance with the terms thereof.

(c) *Inferior goods.* Varying contract provisions are found dealing with goods which do not conform to specifications but are, nevertheless, retained and used by the Government. For instance, certain quartermaster contracts dealing with canned foods provide for deductions from the contract price and for cash reimbursement, in lieu of the right to reject and require replacement of defective cans. Other contracts provide that if public necessity requires use of rejected goods not conforming to specifications, payment therefor shall be made at a proper reduction in price. Payment for rejected goods so retained and used has usually been on the basis of their reasonable value as distinguished from the contract price. (See Barry v. United States, 229 U. S. 47; Corr & Sons v. United States, 55 Ct. Cl. 7; 5 Comp. Gen. 993.) Where contract terms provide for payment of a lesser amount in the event that inferior goods are accepted under proper authority, payment may be made by disbursing officer on the basis of the determination of the contracting officer without reference to the Chief of Finance, provided there is received by the disbursing officer an invoice certified by

the contractor in the reduced amount covering the inferior goods. In all cases where inferior goods are accepted at reduced prices, and the covering contract does not provide for such acceptance, the disbursing officer will submit the voucher for such reduced payment to the Chief of Finance for consideration.

(d) *Violations of the 8-hour law*—(1) *Disposition of amounts collected.* Amounts withheld from a contractor as a penalty for violation of the 8-hour law of June 19, 1912 (37 Stat. 137; 40 U. S. C. 324), as amended, are moneys collected for the use of the United States as specifically provided in said law, and, accordingly, are for depositing and covering into the Treasury as miscellaneous receipts as provided by sections 3617 and 3618, Revised Statutes. Such amounts, however, may be permitted to remain to the credit of the appropriation involved until such time as the right of appeal to the head of the department, as provided in the act of June 19, 1912, as amended, has expired (6 months), or until final action on such appeal in case same is duly filed. (See 10 Comp. Gen. 504.)

(2) *Suspension of law.* Because of the national emergency, Congress provided in section 5b, Act June 28, 1940 (54 Stat. 679; 50 U. S. C. App. 1155), that the provisions of the 8-hour law should be suspended for work covered by Army, Navy and Coast Guard contracts. Section 303, Act September 9, 1940 (54 Stat. 884; 40 U. S. C. 325a), provided that work in excess of 8 hours a day is now permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one-half times the basic rate of pay. The effect of this latest statute is to reinstate the provisions of the act of 1912, and to provide a statutory waiver thereof where time and one-half is paid. Hence, if the contractor fails to pay such extra compensation, he still violates the 1912 statute and is subject to its penalties. (See 20 Comp. Gen. 233; id. 890; 21 id. 1110.)

(e) *Adjustments after final payment.* Supplemental payment to a contractor may be made after the final settlement voucher has been paid where it is clear from the facts in the case, in which both the contractor and the contracting officer concur, that the voucher previously marked "Final Payment" was so marked through error. The supplemental voucher will be marked "Final Payment," with appropriate citation to the previous so-called final payment voucher, and will have attached thereto, in addition to other required supporting papers, the complete file of correspondence or other papers substantiating the facts. The supplemental final voucher will also contain the certificate "No release has been had from the contractor."

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 52-10085; Filed, Sept. 16, 1952; 8:45 a. m.]

Subchapter G—Procurement

PART 590—GENERAL PROVISIONS

PART 591—PROCUREMENT BY FORMAL ADVERTISING

PART 592—PROCUREMENT BY NEGOTIATION

PART 602—GOVERNMENT PROPERTY

ARMY PROCUREMENT PROCEDURE; MISCELLANEOUS AMENDMENTS

The following amendments to Subchapter G are issued:

1. Paragraph (g) of § 590.354–4 is added as follows:

§ 590.354–4 *Action by purchasing offices.* * * *

(g) The policy governing the relations between the Department of Defense and the Small Defense Plants Administration stipulates that competition and wide-spread publicity will be used to the fullest extent practicable with respect to proposed procurements under joint determinations (joint determinations by assigned representatives of the Small Defense Plants Administration and the contracting office to earmark all or part of a specific procurement for exclusive participation by small business concerns) as provided for in section 714 (f) (2) of the Defense Production Act, as amended. The Department of Commerce will publish information with respect to procurements under joint determination under a separate heading in the daily Synopsis. Therefore, in transmitting procurement information to the Department of Commerce for inclusion in the daily Synopsis, a separate transmittal will be made on those procurements which are under joint determination, and the transmittal will clearly state that "the proposed procurement(s) listed herein is (are) under joint determination."

2. Section 590.606–8 is amended by changing paragraph (a) (3) and adding a new paragraph (e) as follows:

§ 590.606–8 *Distribution of procurement contracts to the Army Audit Agency.* (a) * * *

(3) Three copies of all letter contracts and fixed-price contracts which provide for price redetermination, price escalation, advance payments, or partial payments; also three copies of all changes, amendments, and supplements to such contracts.

* * * * *

(e) For contracts involving industrial property as defined in paragraph 104.4, appendix B, ASPR (Appendix B, Part 413 of this title), contracting officers will furnish to the regional auditor, Army Audit Agency, having property audit responsibility, a letter of notification showing contract number, name, and address of contractor, address of office administering the contract, and location of the property records. Notifications may be consolidated and furnished weekly or monthly, depending upon volume, but separate letters will be furnished for each location of records. Special arrangements may be made between a purchasing office and the Army Audit Agency in the furnishing of this information.

3. Section 591.102 is amended by adding at the end of paragraph (a) thereof the following sentence: "However, as to procurement in the interest of standardization of equipment and interchangeability of parts, see § 591.201 (j)."

4. Section 591.201 (j) is added as follows:

§ 591.201 *Preparation of forms.* * * *

(j) *Standardization of equipment and interchangeability of parts.* All invitations for bids which contemplate negotiation of future procurements of the same equipment with the successful bidder in the interest of standardization of equipment and interchangeability of parts (see §§ 592.201–592.201–2 and 592.213–592.213–3 of this subchapter) will contain the following additional special provision in the Schedule or on an attached continuation sheet:

STANDARDIZATION OF EQUIPMENT AND INTERCHANGEABILITY OF PARTS

(a) The bidder is hereby given notice that this procurement contemplates the negotiation of future procurements of the same equipment from the successful bidder, to assure standardization of equipment and interchangeability of parts.

(b) In the event that, after execution of the contract for equipment specified herein, a final determination is made as to the necessity for standardization, the price developed as a result of this procurement will be used as a basis in negotiating subsequent contracts. Such subsequent contracts will contain mutual price protection in the form of standard escalation clauses covering labor and material, OPS ceiling price statement, and equal to best price to any customer warranty.

(c) The foregoing statements will not be construed as a commitment on the part of the Government to later standardize the equipment or subsequently to negotiate with the successful supplier for future requirements of the same or similar equipment.

5. Section 592.213–2 is amended by adding at the end thereof the following sentence: "In the case of formal advertising contemplating subsequent negotiation of procurements of the same equipment from the successful bidder in the interest of standardization of equipment and interchangeability of parts, see § 591.201 (j) of this subchapter."

6. Section 602.805 is amended by changing paragraph (a) and adding a new paragraph (h) as follows:

§ 602.805 *General.* (a) The authority to authorize exceptions is delegated to Heads of Procuring Activities with power of redelegation to the chiefs of field purchasing offices, the acting chiefs of field purchasing offices, or alternates for the chiefs of field purchasing offices, selected personally by Heads of Procuring Activities. Class or group exceptions are not authorized. Each exception must relate to a specific contract, specific invitation for bids, or specific request for proposals, and be covered by a suitable change in the contract clause.

* * * * *

(h) Property shipped out for repair with no parts or material furnished and/or no significant scrap resulting therefrom, may be accounted for as a suspense item in the Military Property Account from which shipped. Account-

ing for property under appendix B, ASPR (Appendix B, Part 413 of this title), is not required of contractors covering property shipped out for repair under § 596.150–5 of this subchapter.

[Proc. Cir. 16, Aug. 26, 1952] (R. S. 161; 5 U. S. C. 22. Interpret or apply 62 Stat. 21; 41 U. S. C. Sup. 151–161)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 52–10119; Filed, Sept. 16, 1952; 8:51 a. m.]

Chapter XIV—The Renegotiation Board

Subchapter A—Military Renegotiation Regulations Under the 1948 Act

PART 1421—AUTHORITY AND ORGANIZATION FOR RENEGOTIATION

PART 1423—DETERMINATION OF RENEGOTIABLE BUSINESS AND COSTS

CORRECTIONS

The following corrections are hereby made in the amendments to Parts 1421 and 1423 as published in the issue of August 8, 1952 (17 F. R. 7218):

1. In §§ 1421.131, 1421.132 and 1421.133, the references to §§ 1428.824, 1428.825 and 1428.826 are changed to read §§ 1428.825, 1428.826 and 1428.827, respectively.

2. In § 1423.331–1 (e), the word "not" is inserted between the word "shall" and the words "be deemed."

(Sec. 3 (f), 62 Stat. 258; 50 U. S. C. App. 1193)

Dated: September 11, 1952.

JOHN T. KOEHLER,
Chairman,
The Renegotiation Board.

[F. R. Doc. 52–10124; Filed, Sept. 16, 1952; 8:52 a. m.]

PART 1422—PROCEDURE FOR RENEGOTIATION

PLACE FOR FILING

Section 1422.245–3 *Place for filing* is amended by deleting the list contained in paragraph (a) and inserting in lieu thereof the following:

Boston Regional Renegotiation Board, 140 Federal Street, Boston 10, Mass.

Chicago Regional Renegotiation Board, U. S. Courthouse, 219 South Clark Street, Chicago 4, Ill.

Detroit Regional Renegotiation Board, David Broderick Tower Building, 10 Witherell Street, Detroit 26, Mich.

Los Angeles Regional Renegotiation Board, 5504 Hollywood Boulevard, Los Angeles 28, Calif.

New York Regional Renegotiation Board, John Wanamaker Building, 70 East Tenth Street, New York 3, N. Y.

Washington Regional Renegotiation Board, Rizik Building, 1737 L Street NW., Washington 25, D. C.

(Sec. 3 (f), 62 Stat. 258; 50 U. S. C. App. 1193)

Dated: September 11, 1952.

JOHN T. KOEHLER,
Chairman, the Renegotiation Board.

[F. R. Doc. 52–10122; Filed, Sept. 16, 1952; 8:52 a. m.]

Subchapter B—Renegotiation Board Regulations Under the 1951 Act

PART 1452—PRIME CONTRACTS AND SUBCONTRACTS WITHIN THE SCOPE OF THE ACT

PART 1453—MANDATORY EXEMPTIONS FROM RENEGOTIATION

PART 1455—PERMISSIVE EXEMPTIONS FROM RENEGOTIATION

PART 1472—CONDUCT OF RENEGOTIATION

MISCELLANEOUS AMENDMENTS

1. Section 1452.1(b) *Executive orders* is amended by adding a new subparagraph (4) to read as follows:

(4) On June 30, 1952, the President issued the following Executive Order 10369 (17 F. R. 5932):

By virtue of the authority vested in me by the Renegotiation Act of 1951, 65 Stat. 7, hereinafter referred to as the Act, and as President of the United States, it is ordered as follows:

SECTION 1. The Bureau of Reclamation, which exercises functions having a direct and immediate connection with the national defense, is hereby designated, pursuant to section 103 (a) of the Act, as an agency of the Government included within the definition of the term "Department" for the purposes of Title I of the Act.

SEC. 2. In accordance with section 102 of the Act, the provisions of Title I of the Act shall be applicable to all contracts with the Bureau of Reclamation, and related subcontracts, to the extent of the amounts received or accrued on or after the first day of July 1952, whether such contracts or subcontracts were made on, before, or after that date.

2. Section 1452.2 *Application of the act to prime contracts* is amended by adding at the end thereof the following:

July 1, 1952:
Bureau of Reclamation.

3. Section 1453.5 (b) *Exemptions* is amended by inserting the word "prime" before the word "contracts" in the first sentence, and by adding a new subparagraph (16) to read as follows:

(16) *Bureau of Reclamation.* All contracts to the extent that they obligate funds of the Bureau of Reclamation, except contracts entered into after June 30, 1950 (i) for the construction of facilities directly or indirectly related to the generation or distribution of hydroelectric energy, and (ii) for materials required for the construction of facilities directly or indirectly related to the generation or distribution of hydroelectric energy.

4. Section 1455.3 (b) (2) *Real estate contracts* is amended by deleting the word "Contracts" in the first sentence and inserting in lieu thereof the words "Prime contracts", and by deleting subdivision (i) in its entirety.

5. Section 1472.5 (d) *Place for filing* is amended by deleting the list contained in subparagraph (1) and inserting in lieu thereof the following:

Boston Regional Renegotiation Board, 140 Federal Street, Boston 10, Mass.

Chicago Regional Renegotiation Board, U. S. Courthouse, 219 South Clark Street, Chicago 4, Ill.

Detroit Regional Renegotiation Board, David Broderick Tower Building, 10 Witherell Street, Detroit 26, Mich.

Los Angeles Regional Renegotiation Board, 5504 Hollywood Boulevard, Los Angeles 28, Calif.

New York Regional Renegotiation Board, John Wanamaker Building, 70 East Tenth Street, New York 3, N. Y.

Washington Regional Renegotiation Board, Rizik Building, 1737 L Street NW., Washington 25, D. C.

(Sec. 109, Pub. Law 9, 82d Cong.)

Dated: September 11, 1952.

JOHN T. KOEHLER,
Chairman,
The Renegotiation Board.

[F. R. Doc. 52–10127; Filed, Sept. 16, 1952; 8:53 a. m.]

PART 1459—COSTS ALLOCABLE TO AND ALLOWABLE AGAINST RENEGOTIABLE BUSINESS

SELLING AND ADVERTISING EXPENSES

Section 1459.7 (b) (2) is amended by adding a new subdivision (iii) to read as follows:

(iii) When a prime contractor sells materials with brand names or of a proprietary nature to a Department for free issue by such Department to government personnel, and the Board is satisfied that the quantities purchased by the Department are determined in general by the preference of the ultimate consumers, advertising expense will be allocated to the renegotiable business of such prime contractor in such proportion as the Board determines to be reasonable.

(Sec. 109, Pub. Law 9, 82d Cong.)

Dated: September 11, 1952.

JOHN T. KOEHLER,
Chairman,
The Renegotiation Board.

[F. R. Doc. 52–10123; Filed, Sept. 16, 1952; 8:53 a. m.]

PART 1464—CONSOLIDATED RENEGOTIATION OF AFFILIATED GROUPS AND RELATED GROUPS

MISCELLANEOUS PROVISIONS APPLICABLE TO CONSOLIDATED RENEGOTIATION

Section 1464.7 (a) is amended by deleting the last sentence and inserting in lieu thereof the following: "The Board may grant requests filed after that date if no inconvenience to the Board will result."

(Sec. 109, Pub. Law 9, 82d Cong.)

Dated: September 11, 1952.

JOHN T. KOEHLER,
Chairman,
The Renegotiation Board.

[F. R. Doc. 52-10125; Filed, Sept. 16, 1952; 8:53 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 202—ANCHORAGE REGULATIONS

TAMPA BAY, FLORIDA

Pursuant to the provisions of section 7 of the River and Harbor Act of March 4, 1915 (38 Stat. 1053; 33 U. S. C. 471), § 202.193 (a) (1) is hereby amended to provide for the relocation of an existing explosives anchorage area, east of Mullet Key, in Tampa Bay, as follows:

§ 202.193 *Tampa Bay, Fla.*—(a) *The anchorage grounds*—(1) *Explosives anchorage east of Mullet Key.* A rectangular area in Tampa Bay approximately 4,459 yards long and 1,419 yards wide, beginning at latitude 27°38'30", longitude 82°39'09", and extending northeasterly to latitude 27°39'48", longitude 82°37'15"; thence southeasterly to latitude 27°39'17", longitude 82°36'46"; thence southwesterly to latitude 27°37'52", longitude 82°38'38"; thence northwesterly to the point of beginning.

* * * * *

[Regs. Aug. 27, 1952, 800.2121-ENGWO] (38 Stat. 1053; 33 U. S. C. 471)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 52-10120; Filed, Sept. 16, 1952; 8:52 a. m.]

TITLE 36—PARKS, FORESTS, AND MEMORIALS

Chapter II—Forest Service, Department of Agriculture

PART 211—ADMINISTRATION

ADVANCE OF FUNDS FOR COOPERATIVE WORK

Pursuant to the authority vested in the Secretary of Agriculture Part 211 is amended by adding thereto a new § 211.5 as follows:

§ 211.5 *Advance of funds for cooperative work.* Funds made available for research for which the Forest Service is responsible may be advanced, when advancements are authorized by law, as a cooperative aid to individuals and public and private agencies, organizations, and institutions when in the judgment of the Chief, Forest Service, or such Directors of Forest Experiment Stations, and the Forest Products Laboratory, as he may designate, such action will stimulate or facilitate cooperative research.

(R. S. 161, 30 Stat. 35, as amended; 5 U. S. C. 22, 16 U. S. C. 551. Interpret or apply Pub. Law 451, 82d Cong.)

Done at Washington, D. C., this 12th day of September 1952.

[SEAL] C. J. McCORMICK,
Acting Secretary of Agriculture.

[F. R. Doc. 52-10139; Filed, Sept. 16, 1952; 8:58 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 58—REGISTRITION OF DOMESTIC MAIL MATTER

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

NATURALIZATION MATTER; AUSTRALIA AND INDONESIA

1. In § 58.12 *Free registration of official matter,* amend paragraph (d) to read as follows:

(d) *Naturalization matter.* All mail matter of whatever class, relating to naturalization, including duplicate papers required by law or regulation to be sent to the [Immigration and Naturalization Service] by clerks of [State or Federal] courts addressed to the Department of Justice or the [Immigration and Naturalization Service], or any official thereof, and endorsed "Official Business" should be transmitted free by registered mail without fee, and so marked. (Sec. 343, 54 Stat. 1163, 66 Stat. 163; 8 U. S. C. 743.)

2. a. The order amending § 127.209 *Australia,* (17 F. R. 7494) in which subdivisions "(vii)" and "(viii)" were added to paragraph (b) (6) is amended by redesignating subdivisions (vii) and (viii) as (v) and (vi), respectively.

b. The order amending § 127.278a *Indonesia,* (17 F. R. 6595) in which "(c)" was added to subdivision (iv) of paragraph (b) (6), is amended by redesignating the "(c)" as "(b)".

(R. S. 161, 396, 398; secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

[SEAL] V. C. BURKE,
Acting Postmaster General.

[F. R. Doc. 52-10104; Filed, Sept. 16, 1952; 8:49 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

Appendix—Public Land Orders

[Public Land Order 863]

NEBRASKA

REVOKING PUBLIC LAND ORDER 189 OF OCTOBER 30, 1943, ESTABLISHING BOX BUTTE NATIONAL WILDLIFE REFUGE

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F. R. 4831) it is ordered as follows:

Public Land Order No. 189 of October 30, 1943, which reserved and set apart all lands and waters acquired or to be acquired by the United States within the following-described area in Dawes County, Nebraska, for the use of the Department of the Interior as a refuge and breeding ground for migratory birds and other wildlife, to be known as the Box Butte National Wildlife Refuge, is hereby revoked:

SIXTH PRINCIPAL MERIDIAN

T. 29 N., R. 49 W.,
Sec. 20, that part of the SE¼ lying below the reservoir contour;
Sec. 28;
Sec. 29, that part lying below the reservoir contour;
Sec. 30, lots 2 and 3, SE¼NW¼, and those parts of lot 4, NE¼, E½SW¼, and SE¼ lying below the reservoir contour;
Sec. 32, those parts of the NE¼NE¼ and N½NW¼ lying below the reservoir contour;
Sec. 33, those parts of the NW¼NE¼, NW¼, and NW¼SW¼ within the following-described boundaries: Beginning at a point on the north boundary of sec. 33, 3,000 feet east of the northwest corner; S. 45°00' W., 4,243 feet to a point on the west boundary of the section; North, 3,000 feet to the northwest corner; East, 3,000 feet to the place of beginning.
Sec. 33, that part of the NE¼NE¼ within the following-described boundaries: Beginning at the northeast corner of sec. 33, thence South, 290 feet; N. 45°00' W., 440 feet to a point on the north boundary of sec. 33; East 290 feet to the place of beginning.

T. 29 N., R. 50 W.,
Sec. 25, N½SW¼ and that part of the N½ lying south of the line described as follows: Beginning at a point on the east boundary of sec. 25, 1,586 feet south of the northeast corner N. 82°57' W., 463.0 feet; S. 22°57' W., 576.0 feet; N. 61°44' W., 2,313.6 feet; S. 82°35' W., 953.8 feet; S. 1°58' W., 642.7 feet; N. 87°18' W., 953.0 feet; S. 70°28' W., 769.3 feet, to a point on the west boundary of sec. 25, 1,763 feet south of the northwest corner;
Sec. 25, those parts of the SW¼SW¼ and SE¼ lying below the reservoir contour;
Sec. 26, that part within the following-described boundary: Beginning at a point on the east boundary of sec. 26, 520 feet north of the southeast corner; N. 71°16' W., 878.4 feet; N. 59°38' W., 1,154.0 feet; S. 72°50' W., 658.1 feet; N. 72°50' W., 347.7 feet; N. 25°17' W., 2,189.2 feet; N. 53°13' E., 807.0 feet; S. 64°52' E., 1,122.0 feet; S. 9°55' E., 412.0 feet; S. 89°41' E., 893.0 feet; N. 44°11' E., 499.0

feet; N. 70°28' E., 795.5 feet, to a point on the east boundary of sec. 26, 1,763 feet south of the northeast corner, South 2,973.1 feet, to the place of beginning.

The tract as shown upon Bureau of Reclamation map of Mirage Flats Project, Nebraska, Box Butte Reservoir Right-of-Way Map MF-2-8, dated August 24, 1942, contains approximately 2,210 acres. The reservoir contour referred to herein is at an elevation of 4,012 feet above sea level.

The lands described have been acquired or are to be acquired for irrigation and other incidental purposes in connection with the construction, operation, and maintenance of the Box Butte Reservoir of the Mirage Flats Project.

JOEL D. WOLFSOHN,
Assistant Secretary of the Interior.

SEPTEMBER 11, 1952.

[F. R. Doc. 52-10098; Filed, Sept. 16, 1952; 8:48 a. m.]

[Public Land Order 864]

ARIZONA

REVOCATION OF EXECUTIVE ORDER 1537 OF MAY 28, 1912, AND FOREST-HOMESTEAD ORDER OF MAY 19, 1908

By virtue of the authority vested in the President by section 1 of the act of June 25, 1910 (36 Stat. 847; 43 U. S. C. 141) and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F. R. 4831) and the act of June 11, 1906, as amended (34 Stat. 233; 16 U. S. C. 506-509) it is ordered as follows:

Executive Order No. 1537 of May 28, 1912, reserving the following-described tract of public land in Arizona for use by the Forest Service, Department of Agriculture, as the Roosevelt Annex Administrative Site in connection with the administration of the Coronado National Forest, is hereby revoked:

GILA AND SALT RIVER MERIDIAN

T. 23 S., R. 18 E.,

A tract of land in secs. 26, 34, and 35 described as follows: Beginning at a point from which the corner common to Sections 2, 3, 34, and 35, Townships 23 and 24 South, Range 18 East, bears S. 22° W. 73.06 chains; thence, N. 34°30' W. 20 chains; S. 55°30' W. 60 chains; S. 19°45' E. 20 chains; N. 55°30' E. 53 chains; N. 60°00' E. 11.70 chains to the point of beginning. This survey was run on a variation of 12°30' E.

The tract as described contains 124.7 acres, within the Coronado National Forest.

Subject to any intervening adverse claims, the order of the First Assistant Secretary of the Interior of May 19, 1908, opening certain lands within a national forest in Arizona to entry under the said act of June 11, 1906, is hereby revoked so far as it affects the above-described land (List 1146).

This order shall become effective at 10:00 a. m. on the 35th day after the date of this order. At that time the land shall become subject to such disposition as may by law be made of national-forest lands.

VERNON D. NORTHROP,
Acting Secretary of the Interior.

SEPTEMBER 11, 1952.

[F. R. Doc. 52-10099; Filed, Sept. 16, 1952; 8:48 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

PART 17—LIST OF AREAS

NATIONAL WILDLIFE REFUGES

EDITORIAL NOTE: For amendment of § 17.3 by the deletion of the Box Butte National Wildlife Refuge from the tabulation contained therein, see Public Land Order 863 in the Appendix to Title 43, Chapter I, *supra*, revoking Public Land Order No. 189 of October 30, 1943, which established the said wildlife refuge.

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

PART 1—PRACTICE AND PROCEDURE

APPLICATION FOR STATION LICENSE WHERE NO CONSTRUCTION PERMIT IS REQUIRED; FORM 481

In the matters of revision of FCC Form 340, adoption of FCC Forms 341 and 342, amendment of the Commission's rules and regulations concerning the use of FCC Forms 340, 341 and 342.

On July 30, 1952, the Commission adopted an order revising FCC Form 340, adopting FCC Forms 341 and 342 and revising various sections of the Commission's rules and regulations (FCC 52-818). Subparagraph (13) of § 1.318 (b) should have been redesignated as subparagraph (14), but was inadvertently omitted.

Accordingly, it is ordered, That § 1.318 (b) is amended by redesignating present subparagraph (13) as subparagraph (14).

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 52-10140; Filed, Sept. 16, 1952; 8:58 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR Part 909]

HANDLING OF ALMONDS GROWN IN CALIFORNIA

SURPLUS OUTLETS

Notice is hereby given that the Department is considering the issuance of the proposed administrative rule herein set forth pursuant to the provisions of Marketing Agreement No. 119 and Order No. 9, regulating the handling of almonds grown in California (7 CFR Part 909), effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.).

Prior to the final issuance of such rule, consideration will be given to data, views, or arguments pertaining thereto which are submitted in writing to the Director, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., and which are received not later than the close of business on the 10th day after publication of this notice in the FEDERAL REGISTER, except that if the 10th day after publication should fall on a holiday, Saturday, or Sunday, such submission may be received by the Director not later than the close of business on the next following work day.

Pursuant to the provisions of § 909.101 (c) of the aforesaid marketing agreement and order, the Almond Control Board, the administrative agency thereunder, has transmitted to the Department its unanimous finding that diced almonds, sliced almonds, and slivered almonds, packed in hermetically sealed tin or glass containers of 8 ounces or less net contents, are noncompetitive with existing normal markets for almonds and has resolved that they be designated as outlets for surplus almonds.

The Board has submitted definitions contained herein for such packs of almonds. It states that almonds purchased for household use are largely used as kernels, and that the quantity which is chopped, or sliced, by household users is negligible. For some years diced, sliced, and slivered almonds have been used by the bakery, confectionery, and ice cream industries. These types of almonds for such use are generally packed in containers of 5 pounds, 25 pounds, and 100 pounds, net weight. The Board believes that the relatively high cost of packing diced, sliced, or slivered almonds, in small containers as herein

proposed, would preclude the use of these small packs by the manufacturing industries now using these types of processed almonds. The Board believes that the designation of the packs of almonds herein specified as outlets for surplus will develop such outlets, particularly for household use in preparation of foods, and will result in increased consumption of almonds with consequent benefits to the industry.

Therefore, after consideration of the Almond Control Board's finding, resolution, and information submitted, such proposed administrative rule is as follows:

§ 909.401 *Additional outlets for surplus almonds.* Diced almonds, sliced almonds, and slivered almonds, as defined in this section, packed in hermetically sealed tin or glass containers of net contents not in excess 8 ounces, are hereby designated as approved outlets for surplus almonds.

(a) "Diced almonds" means fairly uniform pieces of shelled almonds. Not more than 5 percent by weight of the diced almonds shall be too large to pass through a round opening $^{10}/_{32}$ inch in diameter, nor shall more than 10 percent by weight pass through a round opening $^{3}/_{32}$ inch in diameter. Diced almonds shall not contain more than one-tenth of 1 percent by weight of shells, hulls, and other foreign material, and not more than 3 percent by weight of inedible pieces.

(b) "Sliced almonds" means fairly uniform, thin, wafery, slices of shelled almonds. Not more than 1 percent by weight shall be greater than $^{3}/_{32}$ inch in thickness. At least 60 percent by weight of the slices shall be too large to pass through a round opening $^{1}/_{4}$ inch in diameter, and not more than 10 percent by weight shall pass through a round opening $^{1}/_{8}$ inch in diameter. Sliced almonds shall not contain more than one-tenth of 1 percent by weight of shells, hulls, and other foreign material, and not more than 3 percent by weight of inedible slices or fragments thereof.

(c) "Slivered almonds" means fairly uniform, thin, narrow pieces of shelled almonds. Not more than 5 percent by weight of the slivered almonds shall be too wide to pass through a round opening $^{10}/_{32}$ inch in diameter, nor shall more than 1 percent by weight pass through a round opening $^{1}/_{8}$ inch in diameter. Slivered almonds shall not contain more than one-tenth of 1 percent by weight of shells, hulls, and other foreign material, and not more than 3 percent by weight of inedible pieces.

(d) Terms used in this section shall have the same meaning as in said marketing agreement and order.

Issued at Washington, D. C., this 11th day of September 1952.

[SEAL] S. R. SMITH,
Director,
Fruit and Vegetable Branch.

[F. R. Doc. 52-10113; Filed, Sept. 16, 1952; 8:50 a. m.]

CIVIL AERONAUTICS BOARD

[14 CFR Part 20]

AGE REQUIREMENTS FOR STUDENT PILOT CERTIFICATES

NOTICE OF PROPOSED RULE MAKING

Pursuant to authority delegated by the Civil Aeronautics Board to the Bureau of Safety Regulation, notice is hereby given that the Bureau will propose to the Board an amendment to Part 20 of the Civil Air Regulations as hereinafter set forth.

Interested persons may participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should be submitted in duplicate to the Civil Aeronautics Board, attention Bureau of Safety Regulation, Washington 25, D. C. In order to insure their consideration by the Board before taking further action on the proposed rule, communications must be received by October 17, 1952. Copies of such communications will be available after October 21, 1952, for examination by interested persons at the Docket Section of the Board, Room 5412, Commerce Building, Washington, D. C.

Present provisions of Part 20 of the Civil Air Regulations require that an applicant for a student pilot certificate who is under the age of 21 years have parental consent before such a certificate may be issued to him. It has come to the Board's attention that the military forces of the United States are about to embark on a program of providing limited amounts of flight training at civilian contract flight schools to cadets and ROTC trainees. It is a considerable burden for such trainees, who are usually trained at points distant from their homes, to obtain the needed parental consent in order to qualify for student pilot certificates which will allow them to pilot the civil planes used by the contracting schools. Two arguments have been made which militate against such a requirement: (1) Any trainee accepted for any reserve or ROTC program, who is under the age of 21 years is required to obtain parental consent and (2) any individual who is a member of the armed forces is sufficiently responsible to exempt him from the parental consent provisions. It would be an anomaly to say that an 18 year old is considered sufficiently mature to be inducted into the armed forces without parental consent, but not to obtain a pilot certificate from a civilian agency of the Government.

The Bureau believes that such arguments are valid and that any member of the regular or reserve components of the armed forces or any member of an ROTC or other armed forces training program should be exempted from the requirement for producing the consent of parent or guardian for the issuance of a student pilot certificate.

Accordingly, it is proposed to amend Part 20 of the Civil Air Regulations by amending the undesignated paragraph following § 20.2 (b) to read as follows:

§ 20.2 *Age.* * * *

(b) * * *

If an applicant is less than 21 years of age and is not a regular or reserve member of the armed forces of the United States or enrolled in an established ROTC or other training program of such armed forces at the time of making application, he shall submit with his application the written consent of either parent or of his legal or natural guardian.

This amendment is proposed under authority of Title VI of the Civil Aeronautics Act of 1938, as amended. The proposal may be changed in the light of comments received in response to this notice of proposed rule making.

(Sec. 205, 52 Stat. 984; 49 U. S. C. 425. Interpret or apply secs. 601-610, 52 Stat. 1007-1012; 49 U. S. C. 551-560)

Dated: September 11, 1952, at Washington, D. C.

By the Bureau of Safety Regulation.

[SEAL] JOHN M. CHAMBERLAIN,
Director.

[F. R. Doc. 52-10137; Filed, Sept. 16, 1952; 8:57 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

ALASKA

NOTICE OF PROPOSED TRANSFER OF JURISDICTION

SEPTEMBER 9, 1952.

Notice is hereby given that the Office of Territories, Department of the Interior, has made application, Anchorage 020098, for transfer of jurisdiction of interest to the Office of Territories, under section 7 of the Public Works Act of August 24, 1949 (63 Stat. 629; 48 U. S. C. 486e), in the following described tract of land in Alaska:

Beginning at a point on the North property line of General Land Office Amended Survey No. 55 located at Sand Point, Alaska, approximate latitude 55°20'30" North, longitude 160°30' West from whence Corner No. 3 of said survey bears North 74°0' West 113 feet; thence, North 31°0' East 800 feet to Corner No. 1, the place of beginning.

Thence, North 59°0' West 100 feet to Corner No. 2; thence, North 31°0' East 500 feet to Corner No. 3; thence, South 59°0' East 100 feet to Corner No. 4; thence, 31°0' West 500 feet to Corner No. 1, the place of beginning. Said area to contain 1.15 acres more or less.

The purpose of this notice is to give persons having bona fide objection to the transfer, the opportunity to file with the Manager of the Land Office, Anchorage, Alaska, a protest within 30 days from the date of the notice, together with evidence that a copy of the protest has been served on the District Director, Office of Territories, Juneau, Alaska.

LOWELL M. PUCKETT,
Regional Administrator.

[F. R. Doc. 52-10096; Filed, Sept. 16, 1952; 8:47 a. m.]

ALASKA

NOTICE OF PROPOSED TRANSFER OF JURISDICTION

SEPTEMBER 9, 1952.

Notice is hereby given that the Office of Territories, Department of the Interior, has made application, Anchorage 019600, for transfer of jurisdiction of interest to the Office of Territories, under section 7 of the Public Works Act of August 24, 1949 (63 Stat. 629; 48 U. S. C. 486e), in the following described tract of land located in the East Addition to Kodiak Townsite, Alaska, U. S. Survey No. 2538A:

Beginning at Corner Number 3, being the Northwest Corner of United States Land Survey Number 562 (the Erskine Subdivision of Kodiak, Alaska), go East 253.21 feet to a point (being Corner Number 18 of U. S. Survey Number 2538-B); thence go North 34°43' West, 709.33 feet to the point of beginning; thence go North 34°34' West, 1,990.56 feet to a point, thence go North 55°21' East, 4,300 feet to a point, thence go South 34°39' East, 1,327.35 feet to a point, thence go South 55°15' West, 1,501.27 feet to a point, thence go South 34°46' East, 394.83 feet to a point; thence go South 51°00' West, (along the North Boundary of United States Survey No. 2538-B), 946.64 feet to a point; thence go North 39°00' West, 17.28 feet to a point; thence go South 41°00' West, 1,918.57 feet to the point of beginning; thereby comprising a tract of land containing 169.9 acres, more or less.

The purpose of this notice is to give persons having bona fide objection to the transfer, the opportunity to file with the Manager of the Land Office, Anchorage, Alaska, a protest within 30 days from the date of the notice, together with evidence that a copy of the protest has been served on the District Director, Office of Territories, Juneau Alaska.

LOWELL M. PUCKETT,
Regional Administrator.

[F. R. Doc. 52-10097; Filed, Sept. 16, 1952; 8:47 a. m.]

Office of the Secretary

[Order No. 2605, Amdt. 7]

DEFENSE MINERALS EXPLORATION ADMINISTRATION ET AL.

ORGANIZATION AND FUNCTIONS

This amendment supersedes the original text of Order No. 2605 and Amendments 1 through 6. Order No. 2605 is revised to read as follows:

SECTION 1. *Purpose.* The purpose of this order is to establish the Defense Minerals Exploration Administration, the Defense Electric Power Administration, the Defense Solid Fuels Administration, and the Defense Fisheries Administration, to carry out the functions vested in the Secretary of the Interior under the Defense Production Act of 1950 (50 U. S. C. app. 1946 ed., Supp. V, sec. 2061 et seq.) with respect to metals and minerals, electric power, solid fuels, and fishery commodities.

SEC. 2. *Establishment of Administrations.* There are established a Defense Minerals Exploration Administration, a Defense Electric Power Administration, a Defense Solid Fuels Administration, and a Defense Fisheries Administration. Each of the defense administrations shall be headed by an Administrator, who shall be appointed by the Secretary of the Interior.

SEC. 3. *Delegation of authority.* Except as provided in section 4 of this order, and except as the Secretary of the Interior may otherwise provide, all the functions and powers vested in the Secretary of the Interior by Executive Order 10161, as amended (15 F. R. 6105, 16 F. R. 61, 8789), and by redelegations made to him under that order by appropriate officers of the Government, and all the functions and powers vested in the Secretary of the Interior by delegations made by the Defense Production Administrator under Executive Order 10200 (16 F. R. 61) and by redelegations made by other officers of the Government under such delegations, may be performed and exercised by:

(a) The Administrator of the Defense Minerals Exploration Administration in so far as these functions and powers relate to metals and minerals;

(b) The Administrator of the Defense Electric Power Administration insofar as these functions and powers relate to electric power;

(c) The Administrator of the Defense Solid Fuels Administration insofar as these functions and powers relate to solid fuels; and

(d) The Administrator of the Defense Fisheries Administration insofar as these functions and powers relate to fishery commodities or products.

SEC. 4. *Limitations.* (a) Section 3 of this order does not authorize any of the Administrators there mentioned to:

(1) Exercise any functions or powers which cannot be redelegated by the Secretary of the Interior under the provisions of Executive Order 10161 or under redelegations pursuant to that order or under redelegations made by the Defense Production Administrator pursuant to Executive Order 10200, or

(2) Redelegate any power or function to any person other than an officer of the agency which the Administrator heads.

(b) With respect to the defense administrations established by this order, the Secretary of the Interior reserves to himself the maintenance of interagency relationships respecting matters which are common to two or more defense administrations, including representation on the policy level with the Office of Defense Mobilization, the Defense Production Administration, the National Production Authority, the Executive Office of the President, other major agencies concerned with defense production, and the Congress.

SEC. 5. *Policies and procedures.* The powers and functions delegated by this order shall be exercised subject to the direction and control of the Secretary of the Interior. This order will be supplemented from time to time by policy and procedural instructions respecting the exercise of powers and performance of functions by the Administrators.

SEC. 6. *Acting Administrator, Defense Electric Power Administration.* (a) The Deputy Administrator shall perform the duties of the Administrator in case of the death, resignation, absence, or sickness of the Administrator.

(b) The General Counsel shall perform the duties of the Administrator in case of the death, resignation, absence, or sickness of the Administrator and the Deputy Administrator.

(c) The Director of the Materials and Equipment Division, in the absence of a designation in writing by the Administrator, as provided in paragraph (d) of this section, shall perform the duties of the Administrator in case of the death, resignation, absence, or sickness of the Administrator, Deputy Administrator, and the General Counsel.

(d) The Director of the Power Supply Division, when designated in writing by the Administrator or in the absence of the Director of the Materials and Equipment Division, shall perform the duties of the Administrator in case of the death, resignation, absence, or sickness of the Administrator, Deputy Administrator, and the General Counsel.

(e) An official acting under authority of this section shall sign documents under the title "Acting Administrator."

SEC. 7. *Acting Administrator, Defense Fisheries Administration.* (a) The Deputy Administrator shall perform the duties of the Administrator in case of the death, resignation, absence, or sickness of the Administrator.

(b) The Executive Officer shall perform the duties of the Administrator in case of the death, resignation, absence, or sickness of the Administrator and the Deputy Administrator.

(c) An official acting under authority of this section shall sign documents under the title "Acting Administrator."

SEC. 8. *Acting Administrator, Defense Minerals Exploration Administration.* (a) The Deputy Administrator shall perform the duties of the Administrator in case of the death, resignation, absence, or sickness of the Administrator.

(b) The Special Assistant to the Administrator shall perform the duties of the Administrator in case of the death, resignation, absence, or sickness of the Administrator and the Deputy Administrator.

(c) An official acting under authority of this section shall sign documents under the title "Acting Administrator."

SEC. 9. *Acting Administrator, Defense Solid Fuels Administration.* (a) The Deputy Administrator, who supervises the activities of the Materials and Equipment Division, the Industry Finance Division, and the Transportation Division, shall perform the duties of the Administrator in case of the death, resignation, absence, or sickness of the Administrator.

(b) The Deputy Administrator, who supervises the activities of the Anthracite Coal Division, the Bituminous Coal Division, and the Coke Division, shall perform the duties of the Administrator in case of the death, resignation, absence, or sickness of the Administrator and the Deputy Administrator specified in paragraph (a) of this section.

(c) An official acting under authority of this section shall sign documents under the title "Acting Administrator."

SEC. 10. *Acting Deputy Administrator, Defense Electric Power Administration.* (a) The General Counsel shall perform the duties of the Deputy Administrator in case of the death, resignation, absence, or sickness of the Deputy Administrator.

(b) The Associate General Counsel shall perform the duties of the Deputy Administrator in case of the death, resignation, absence, or sickness of the Deputy Administrator and the General Counsel.

(c) An official acting under authority of this section shall sign documents under the title "Acting Deputy Administrator."

SEC. 11. *Acting Deputy Administrator, Defense Minerals Exploration Administration.* (a) The Special Assistant to the Administrator shall perform the duties of the Deputy Administrator in case of the death, resignation, absence, or sickness of the Deputy Administrator, and when so serving shall sign documents under the title "Acting Deputy Administrator."

(b) When the Deputy Administrator is serving as Acting Administrator, the authority vested in the office of Deputy Administrator may be exercised by the Special Assistant to the Administrator. Under such circumstances, the Special Assistant to the Administrator shall sign documents under his own title.

SEC. 12. *Effect on other orders.* This order does not affect section 4 of Order 2509, Order 2596, or Order 2609.

VERNON D. NORTHROP,
Acting Secretary of the Interior.

SEPTEMBER 10, 1952.

[F. R. Doc. 52-10100; Filed, Sept. 16, 1952; 8:48 a. m.]

DEPARTMENT OF AGRICULTURE

Bureau of Entomology and Plant Quarantine

ORGANIZATIONAL STATEMENT

Pursuant to authority vested in me by law (Rev. Stat. 161, 5 U. S. C. 22) the organizational statement of the Bureau of Entomology and Plant Quarantine, Agricultural Research Administration, as amended (11 F. R. 177A-239, as amended, 14 F. R. 2534), is hereby revised to read as follows:

ORGANIZATION

(a) *Central and field organization.* The Chief of the Bureau, aided by five assistant chiefs and five regional directors has general administrative supervision and control over all of the work of the Bureau, which (1) conducts research and disseminates information concerning the utilization of beneficial insects, the means of eradicating and controlling noxious and injurious insects, in order to prevent injury and annoyance to man, and to eliminate the damage and destruction of food, fiber, products, materials, and other possessions; (2) takes steps to eradicate, control, and prevent the spread of insect pests and diseases in plants; (3) administers plant quarantines and regulatory orders issued by the Secretary of Agriculture to prevent the entry and spread of insect pests and plant diseases; and (4) upon request inspects and certifies plants and plant products offered for export to meet the sanitary requirements of the receiving country. The foregoing work is conducted in accordance with the following statutes:

5 U. S. C. 511; 7 U. S. C. and Supp. 141-149, 150-150g, 151-167, 281-283, 441; 16 U. S. C. and Supp. 581-581i, 594a, 594-1 to 594-5. The work is conducted through 16 divisions, 5 regional offices and a special equipment center, each headed by a leader.

(b) *Divisional and field organization.* (1) Division of Budget and Administrative Management, with headquarters in Washington, D. C., handles the budgetary and administrative management matters of the Bureau.

(2) Division of Accounting and Auditing, with headquarters in Washington, D. C., handles the accounting and auditing functions of the Bureau.

(3) Division of Administrative Services, with headquarters in Washington, D. C., handles the procurement, property management, real property management and record management functions of the Bureau.

(4) Division of Personnel Management, with headquarters in Washington, D. C., handles all personnel matters of the Bureau.

(5) Division of Information, with headquarters in Washington, D. C., releases information pertaining to the functional operations of the Bureau.

(6) Division of Insect Detection and Identification, with headquarters in Washington, D. C., conducts research on the classification and identification of insects, and, in cooperation with States, other agencies and individuals, conducts a nation-wide economic insect detection and reporting activity.

(7) Division of Fruit Insect Investigations, with headquarters in Washington, D. C., conducts research on insects affecting fruits, nuts, and grapes, including the oriental and Mexican fruit flies, and the Japanese beetle. The field headquarters for the investigation of fruit flies are located at Mexico City, Mexico, and Honolulu, Hawaii.

(8) Division of Truck Crop and Garden Insect Investigations, with headquarters at Washington, D. C., conducts research on insects affecting vegetables, greenhouse and outdoor ornamental plants, including bulbs, sugar beets, and tobacco.

(9) Division of Cereal and Forage Insect Investigations, with headquarters at Washington, D. C., conducts research on insects affecting cereal and forage crops, including sugarcane and rice.

(10) Division of Cotton Insect Investigations, with headquarters at Washington, D. C., conducts research on insects affecting the production of cotton.

(11) Division of Forest Insect Investigations, with headquarters at Beltsville, Maryland, conducts research on insects attacking forest and shade trees, hardy ornamentals, and forest products; conducts surveys to appraise status of insect pests of forests.

(12) Division of Insects Affecting Man and Animals, with headquarters at Washington, D. C., conducts research on insects which affect animals, attack, annoy, or injure man.

(13) Division of Bee Culture and Biological Control, with headquarters at Beltsville, Maryland, conducts research on the honey bee and its diseases, develops and improves strains of bees, works out improved methods of managing apiaries and of using bees in the pollination of economic plants, administers the statutes and regulations governing the importation of honey bees (7 U. S. C. 281-283; 7 CFR Part 322), and

conducts studies in foreign countries to locate the natural enemies of insect pests within the United States, imports beneficial parasites, and directs or coordinates biological control activities.

(14) Division of Stored Product Insect Investigations, with headquarters in Washington, D. C., conducts research on the control of insects affecting products in storage, the development of special techniques, methods and equipment for the prevention or control of insect pests involved in industry and commerce and the treatment and control of insect pests in buildings.

(15) Division of Insecticide Investigations, with headquarters at Beltsville, Maryland, conducts research on the chemical and physical properties of and manufacture of materials used as insecticides.

(16) Division of Plant Quarantines, with headquarters at Washington, D. C., supervises and controls the importation of plants, plant products and other materials and insects from foreign countries and from Hawaii and Puerto Rico to the mainland and certifies for export plants and plant products to meet sanitary requirements of receiving countries, is responsible for inspections in transit of products regulated by plant quarantines, enforces Federal quarantines or State quarantines in cooperation with the several States and administers the Terminal Inspection Act.

(17) Northeastern Region, with headquarters at Greenfield, Mass., plans, directs and coordinates the program activities of the White-Pine Blister Rust Control Project within the regional boundaries, the Gypsy and Brown-Tail Moths Control Project, the Golden Nematode Project, and the Japanese Beetle Control Project, and directs administrative functions of the Bureau within the regional boundaries.

(18) Southeastern Region, with headquarters at Gulfport, Miss., plans, directs and coordinates the program activities of the White-Fringed Beetle Control Project, the Sweetpotato Weevil Control Project, the Phony Peach and Peach Mosaic Disease Eradication Project, and directs administrative functions of the Bureau within the regional boundaries.

(19) Southwestern Region, with headquarters at San Antonio, Texas, plans, directs and coordinates the program activities of the Pink Bollworm and Mexican Fruit Fly Control Project, the Wild Cotton Eradication Project, the project Cooperation with Mexico, and directs administrative functions of the Bureau within the regional boundaries.

(20) Western Region, with headquarters at Berkeley, Calif., plans, directs and coordinates the program activities of the White-Pine Blister Rust Control Project within the regional boundaries, the Developmental and Investigative Projects relating to white-pine blister rust and the Hall scale control project, and directs administrative functions of the Bureau within the regional boundaries.

(21) North Central Region, with headquarters at Minneapolis, Minn., plans, directs and coordinates the program activities of the White-Pine Blister Rust Control Project within the regional boundaries, and the Grasshopper Control and the Barberry Eradication Projects, and directs administrative functions of the Bureau within the regional boundaries.

(22) Aircraft and Special Equipment Center, with headquarters at Oklahoma City, Okla., develops and implements policies and procedures for acquiring, maintaining and operating all Bureau-owned aircraft; develops specifications and standards for aircraft work done for the Bureau under contract and tests and demonstrates aircraft used in pest control operations; develops and implements plans and procedures for an effective program of adapting and modifying special purpose equipment to meet insect and plant disease control requirements.

(23) Special field locations: The foregoing divisions from time to time establish local field offices and laboratories to cope with special local conditions.

Public information, submittals, and requests. Public information may be obtained from, and submittals and requests may be made to, the officer in charge of the various Divisions, regional headquarters, or field stations listed in (a) and (b) hereof as to the work performed by each Division, region, or station. All other requests and submittals should be sent to the office of the Chief, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration, United States Department of Agriculture, Washington 25, D. C. Requests and submittals on matters pertaining to the various plant quarantines may be made to the various field offices listed in the regulations (7 CFR Chap. III).

Delegations of final authority. All delegations of final authority are contained in the regulations of the Bureau (7 CFR Chap. III), except the following: Officials in charge of regions and field stations are authorized to exercise limited authority to contract for supplies and services.

FUNCTIONS

Research. The Bureau, independently and in cooperation with Federal, State, local, and private agencies, conducts investigations on insects and pests to determine and develop methods of eradicating and controlling those which are injurious, and develops methods of utilizing beneficial insects (5 U. S. C. 511 and 16 U. S. C. 581–581i). Information obtained as a result of such research is disseminated to the public.

Service. The Bureau offers the following service, which the public can secure in accordance with the paragraph relating to Public information, submittals, and requests: Information and advice on the identification, habits, and means of controlling or using insects, appraisals of insecticides, their composition and use, inspections to determine the status of insect pests destroying forest trees, and advice on the means of control; surveys on the distribution and occurrence of pests and insects, and information concerning patents controlling insecticides and devices for insect control. The Bureau also advises Federal, State, and local authorities with reference to quarantine policies and insect control needs and methods (5 U. S. C. 511; 7 U. S. C. 141–148e; 16 U. S. C. 594a).

Control and prevention of spread of insects and plant diseases. The Bureau cooperates with Federal, State, and local agencies, private organizations, and the Governments of Mexico and Canada, in carrying out operations to control, suppress, eradicate, and prevent the spread of insects pests and plant diseases (7 U. S. C. 147a, 148–148c, and 151–167). Individual participation in the control work is voluntary as far as the Bureau is concerned, but some State laws require participation. The control work includes such measures as the destruction of diseased plants and trees, surveys to determine distribution of the pests, and applying insecticides and other control measures.

Plant quarantine orders affecting interstate movement. The Bureau advices the Secretary on the promulgation of all quarantines and restrictive notices affecting the interstate movement of plants, plant products, and other articles, and administers the provisions of those issued by the Secretary pursuant to statute (7 U. S. C. 151–167). The quarantine and restrictive notices describe the procedures followed by the Bureau and to be followed by anyone desiring to make interstate shipments of the plants and articles subject to the quarantines (7 CFR Part 301).

Plant quarantine orders affecting Puerto Rico and Hawaii. The Bureau administers the provisions of certain quarantines governing the movement of plants, plant products, and other materials from Puerto Rico and Hawaii to the mainland, issued pursuant to statute (7 U. S. C. 151–167). The quarantine notices prescribe the procedure to be followed (7 CFR 301.13, 301.16, 301.30, 301.32, 301.47, 301.60 and 301.75).

Plant quarantine orders affecting the introduction of products into the United States. The Bureau advises the Secretary on the promulgation of restrictive and prohibitory orders governing the importation of plants, plant products, and other articles, issued pursuant to statute (7 U. S C. 151–167). The Bureau also enforces such orders which describe the procedure to be followed (7 CFR Parts 319, 321, 351, and 352). Enforcement work is conducted in cooperation with other agencies in the Federal Government, such as the Bureau of Customs of the Treasury Department, and the Post Office Department.

Movement of vehicles into the United States from Mexico. The Bureau makes inspections of railway cars, other vehicles, express, baggage, and other material from Mexico in order to prevent the entry of insect pests and plant diseases, requires cleaning if needed, and when necessary fumigates or disinfects vehicles or materials, for which a fee is collected (7 U. S. C. 149). The procedures are described in the regulations (7 CFR Part 320).

Terminal inspection of materials regulated by State quarantines. A State desiring terminal inspection of mails, express, and parcel post may secure the cooperation of the Department of Agriculture and the Post Office Department in the conduct of such an inspec-

tion operation in order to prevent the introduction of injurious pests into the State (7 U. S. C. 166). The Postmaster General is authorized to issue the rules and regulations concerning the inspections and the statute states how the assistance of the Department of Agriculture may be obtained.

Movement of plants and plant products into and from the District of Columbia. The movement of plants and plant products into or out of the District of Columbia is restricted by statute (7 U. S. C. 167) and must be in compliance with the rules and regulations issued by the Secretary of Agriculture which prescribe the procedure to be followed (7 CFR Part 302).

Importation of honey bees. Importations of honey bees are prohibited by statute (7 U. S. C. 281–282), except by the United States Department of Agriculture for experimental or scientific purposes, or, under regulations prescribed by the Secretary of the Treasury and the Secretary of Agriculture, from countries determined by the Secretary of Agriculture as free from dangerous adult honey bee diseases. The Bureau administers this statute and the regulations issued by the Secretaries pursuant thereto (7 CFR Part 322).

Transit inspections of materials regulated by quarantines. In order to assure that plants, plant products, and other materials regulated by Federal plant quarantines are moving in compliance with the regulations, the Bureau inspects at appropriate distribution centers and transfer points, mail, express, and freight, and cooperates with officials of the Post Office Department, express companies, railroads, and State officials in this connection (7 U. S. C. 161). The procedures are prescribed in the regulations (7 CFR Part 301).

Sanitary inspection and certification of plants and plant products offered for export. The Bureau, upon request, inspects plants and plant products offered for export and issues certificates showing compliance with the sanitary plant pest requirements of the country to which the articles are to be shipped, and cooperates with State officials in the issuance of certificates (7 U. S. C. 147a). The procedure is set out in the regulations (7 CFR Part 353).

Importation or interstate movement of insect pests. The importation or interstate movement of certain insects is prohibited (7 U. S. C. 141–144), except for scientific purposes. The Bureau issues permits for such movement of insects for scientific purposes upon request of interested persons. No special form of request is prescribed, but the request should recite the particular purpose, the kind of insects, origin, destination, and time and number of shipments. In the issuance of permits, the Bureau cooperates with the Public Health Service of the Federal Security Agency, the Bureau of Customs of the Treasury Department, the Post Office Department, and transportation companies.

Regulations affecting the introduction of mollusks into the United States. The Bureau advises the Secretary on the promulgation of restrictive and prohibitory regulations governing the importation of mollusks issued pursuant to statute (7 U. S. C. 441). The Bureau also enforces such regulations which describe the procedure to be followed (7 CFR Part 324). Enforcement work is conducted in cooperation with other agencies in the Federal Government, such as the United States National Museum, and United States Public Health Service, and interested State plant pest officials.

Review of rulings. Any person aggrieved by the ruling of an employee of the Bureau in connection with any work of the Bureau may request a review of that ruling by the Chief of the Bureau and from the Chief's ruling may request review by the Secretary of Agriculture. No form is prescribed for such requests, but they may be accompanied by supporting evidence.

Done at Washington, D. C., this 12th day of September 1952.

[SEAL] C. J. McCORMICK,
Acting Secretary of Agriculture.

[F. R. Doc. 52-10112; Filed, Sept. 16, 1952; 8:50 a. m.]

DEPARTMENT OF COMMERCE

Civil Aeronautics Administration

[Amdt. 7]

ORGANIZATION AND FUNCTIONS

CHANGES OF ADDRESSES FOR AIRPORT DISTRICT OFFICES

In accordance with the public information requirements of the Administrative Procedure Act, the description of Organization and Functions of the Civil Aeronautics Administration is hereby amended. The purpose of this amendment is to publish changes of addresses of Airport District Offices.

1. Section 43 (g) (3) (ii), Region 1, is amended by substituting "Charleston, West Virginia, Kanawha County Airport—West Virginia" for "Charleston, West Virginia, Kanawha County Court House—West Virginia".

2. Section 43 (g) (3) (ii), Region 2, is amended by (1) substituting "Miami, Florida, Building 514, Miami International Airport, Miami 48—Florida" for "Jacksonville, Florida, 430 Lynch Building—Florida" (2) substituting "Atlanta, Georgia, 50 Seventh Street NE.—Georgia" for "Atlanta, Georgia, A. G. Rhodes Building—Georgia" (3) substituting "Wilmington, North Carolina, 231 U. S. Customhouse—North Carolina, South Carolina" for "Wilmington, North Carolina, 124 U. S. Custom House—North Carolina" (4) deleting "Suboffice, Columbia, South Carolina, Capital Airport—South Carolina" (5) substituting "Nashville, Tennessee, U. S. Court House, 801 Broadway—Tennessee" for "Nashville, Tennessee, Berry Field—Tennessee".

3. Section 43 (g) (3) (ii), Region 3, is amended by substituting "Indianapolis, Indiana, 514 F Century Building—Indiana" for "Indianapolis, Indiana, 360 Massachusetts Avenue—Indiana" (2) substituting "Louisville, Kentucky, Bowman Field—Kentucky" for "Louisville, Kentucky, 334 East Broadway—Kentucky".

4. Section 43 (g) (3) (ii), Region 6, is amended by substituting "Phoenix, Arizona, New Terminal Building, Phoenix Sky Harbor Municipal Airport—Arizona" for "Phoenix, Arixona, 707½ West Thomas Road—Arizona".

5. Section 43 (g) (3) (ii), Region 7, is amended by substituting "Boise, Idaho, 1412 Idaho Street—Idaho" for "Boise, Idaho, 1412 West Idaho Street—Idaho".

This amendment shall become effective upon publication in the FEDERAL REGISTER.

[SEAL] S. A. KEMP,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 52-10091; Filed, Sept. 16, 1952; 8:46 a. m.]

National Production Authority

[Suspension Order 27; Docket No. 37]

AMERICAN METAL SUPPLY COMPANY

SUSPENSION ORDER

A hearing having been held in the above-entitled matter on the 21st day of August 1952 before Lowell Turrentine, a Hearing Commissioner of the National Production Authority, on a statement of charges made by the General Counsel, National Production Authority, in accordance with the National Production Authority General Administrative Order 16–06 (16 F. R. 8628), dated July 21, 1951, and Implementation 1 to National Production Authority General Administrative Order 16–06 (16 F. R. 8799), dated August 30, 1951, and Delegation of Authority under NPA–GAO 16–06 (17 F. R. 2098); and

The respondent, Meyer Leson, doing business as American Metal Supply Company, having been duly apprised of the specific violations charged and the administrative action which may be taken, and having been fully informed of the rules and procedures which govern these proceedings; and

The National Production Authority being represented by E. J. Spielman, Regional Attorney, and the respondent appearing in person; and

The respondent having stipulated on the 18th day of August 1952 to a statement of facts to be filed in these proceedings in lieu of the presentation of other evidence in support of and in opposition to the statement of charges, it is hereby determined:

Findings of fact. 1. On November 3, 1951, the respondent requested delivery from his supplier of aluminum controlled material, to wit: 30,000 pounds of aluminum coil sheet for delivery in the second quarter 1952, said amount of aluminum being 23,700 pounds greater than the amount required to fulfill his authorized production schedule.

2. On November 3, 1951, the respondent placed authorized controlled material orders with his supplier for 30,000 pounds of aluminum coil sheet for delivery in said calendar quarter, whereas he was lawfully entitled to order only 6,300 pounds of aluminum.

3. On or about January 10, 1952, the respondent placed an order with his sup-

plier and applied a DO rating and allotment symbol thereon, which order purported to be an authorized controlled material order, for 40,000 pounds of aluminum coil roofing sheet for first quarter 1952 delivery, whereas he was lawfully not entitled to place such or apply such rating or allotment symbol to any amount of aluminum for said calendar quarter.

4. On February 7, 1952, the respondent placed an order with his supplier and applied a DO rating and allotment symbol thereon, which order purported to be an authorized controlled material order, for 60,000 pounds of aluminum coil roofing sheet for second quarter 1952 delivery, whereas he was lawfully not entitled to place such order or apply such rating or allotment symbol to any amount of aluminum for said calendar quarter.

5. On April 1, 1952, the respondent placed an order with his supplier and applied a DO rating and allotment symbol thereon, which order purported to be an authorized controlled material order, for 50,000 pounds of aluminum coil roofing sheet for second quarter 1952 delivery, whereas he was lawfully not entitled to place such order or apply such rating or allotment symbol to any amount of aluminum for said calendar quarter.

6. The respondent failed to maintain accurate records of allotments received and of procurement pursuant to allotments during the calendar quarters commencing October 1, 1951, January 1, 1952, and April 1, 1952.

7. The respondent failed to retain at his regular place of business all documents on which he relied as entitling him to make or receive an allotment or to deliver or accept delivery of controlled materials by destroying the official copy of his CMP–4B application form which had endorsed thereon the allotments and advance allotments authorized for the fourth quarter 1951, first quarter 1952, and second quarter 1952.

8. During the calendar quarter commencing April 1, 1952, the respondent acquired, used, and disposed of controlled material, to wit: approximately 70,000 pounds of aluminum roofing sheet procured by the issuance of respondent's purchase orders dated January 8, 1952, and February 7, 1952, subsequent to the cancellation by the National Production Authority of respondent's advance allotments on December 12, 1951.

9. The respondent failed to return within the prescribed time his unused allotment for fourth quarter 1951 of 10,500 pounds of aluminum.

10. The respondent, having on December 12, 1951, received notice of cancellation of his first quarter 1952 and second quarter 1952 advance allotments for quantities of aluminum, failed to cancel an order which he placed and which purported to be an authorized controlled material order for 30,000 pounds of aluminum roofing sheet.

Conclusions. During the period November 3, 1951, to April 30, 1952, the respondent violated the provisions of National Production Authority regulations, orders, and directives as follows:

(a) The unauthorized placing of orders with suppliers for 173,700 pounds of aluminum more than respondent was entitled to order during the calendar quarters commencing January 1, 1952, and April 1, 1952, contrary to the provisions of CMP Regulation No. 1, section 19 (f) dated May 3, 1951 (16 F. R. 4127), and amended November 23, 1951 (16 F. R. 11860).

(b) Of the amount set forth in the foregoing conclusion (a), the respondent received, used, and consumed 70,000 pounds of aluminum during the calendar quarter commencing April 1, 1952, contrary to the provisions of CMP Regulation No. 1, section 17 (b), dated May 3, 1951 (16 F. R. 4127), as amended November 23, 1951 (16 F. R. 11860).

(c) The failure to return within the prescribed time respondent's unused allotment for the fourth quarter 1951, of 10,500 pounds of aluminum, contrary to the provisions of CMP Regulation No. 1, section 18 (b), dated May 3, 1951 (16 F. R. 4127).

(d) The failure to cancel an order which respondent placed and which purported to be an authorized controlled material order for 30,000 pounds of aluminum subsequent to the cancellation of respondent's first quarter 1952 and second quarter 1952 advance allotments of aluminum, contrary to the provisions of section 13 of CMP Regulation No. 1, as amended November 23, 1951 (16 F. R. 11860).

(e) The failure to maintain accurate records of allotments received and of procurement pursuant to allotments during the calendar quarters commencing October 1, 1951, January 1, 1952, and April 1, 1952, contrary to the provisions of sections 23 (a) and (b) of CMP Regulation No. 1, dated May 3, 1951 (16 F. R. 4127), as amended November 23, 1951 (16 F. R. 11860).

In order to correct the unauthorized use of aluminum occasioned by the violations found herein, and in order to prevent future violations of National Production Authority regulations, orders, and directives by the respondent,

It is accordingly ordered: 1. That all priority assistance, apart from the privileges of self-authorization and self-certification, be withdrawn and withheld from Meyer Leson individually and Meyer Leson doing business as American Metal Supply Company for a period commencing from the date of issuance of this order until the 31st day of March 1953.

2. That all allocations and allotments of controlled materials and materials under the control of the National Production Authority be withdrawn and withheld from Meyer Leson individually and Meyer Leson doing business as American Metal Supply Company for a period commencing from the date of issuance of this order until the 31st day of March 1953.

Issued this 29th day of August 1952 at San Francisco, Calif.

NATIONAL PRODUCTION AUTHORITY,
BY LOWELL TURRENTINE,
Hearing Commissioner.

[F. R. Doc. 52-10235; Filed, Sept. 16, 1952; 11:51 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 5083]

ISLAND AIR FERRIES, INC.; RENEWAL APPLICATION

NOTICE OF ORAL ARGUMENT

In the matter of the application of Island Air Ferries, Inc., for amendment of its temporary certificate of public convenience and necessity for route No. 89.

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that oral argument in the above-entitled proceeding is assigned to be held on October 9, 1952, at 10:00 a. m., e. s. t., in Room 5042, Commerce Building, Constitution Avenue, between Fourteenth and Fifteenth Streets NW., Washington, D. C., before the Board.

Dated at Washington, D. C., September 12, 1952.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 52-10131; Filed, Sept. 16, 1952; 8:55 a. m.]

DEFENSE PRODUCTION ADMINISTRATION

[DPA Request No. 36—DPAV-43]

REQUEST TO EXECUTE AND PARTICIPATE IN DEFENSE WAREHOUSEMEN'S ASSOCIATION AGREEMENT OF PORT OF NEW YORK

Pursuant to section 708 of the Defense Production Act of 1950, as amended, the request set forth below to execute and participate in the Defense Warehousemen's Association Agreement of the Port of New York was approved by the Attorney General after consultations with respect thereto between the Attorney General, the Chairman of the Federal Trade Commission, and the Administrator of the Defense Production Administration, and was accepted by the companies listed below.

This voluntary agreement provides for the formation of a warehousemen's association in the Port of New York area, to be known as the "Defense Warehousemen's Association of the Port of New York," the sole purpose of which is to furnish public warehousing services and public storage facilities to the Government pursuant to the terms of a contract to be negotiated with the Department of Defense and the Executive Committee of the Association. This voluntary agreement has been approved by the Administrator of the Defense Production Administration and found to be in the public interest as contributing to the national defense.

CONTENTS OF REQUEST

You are requested to execute and participate in the voluntary agreement, a copy of which is enclosed.

In my opinion, such participation will greatly assist in the accomplishment of our national defense program.

The Attorney General has approved this request after consultations with respect thereto between his representatives, representatives of the Chairman of the Federal Trade Commission, and representatives of the Administrator of the Defense Production

Administration, pursuant to section 708 of the Defense Production Act of 1950, as amended.

I approve the voluntary agreement and find it to be in the public interest as contributing to the national defense. You will become a participant therein upon notifying me in writing of your acceptance of this request. Immunity from prosecution under the Federal antitrust laws and the Federal Trade Commission Act will be given upon such acceptance, provided that your participation therein is within the limits set forth in the voluntary agreement.

Your cooperation in this matter will be appreciated.

Sincerely yours,

HENRY H. FOWLER,
Administrator.

LIST OF COMPANIES ACCEPTING REQUEST TO PARTICIPATE

Allgood Terminal Warehouses, Lexington Avenue, at East First Street, Bayonne, N. J.

American Dock Company, 17 State Street, New York 4, N. Y.

Baker & Williams, 114–126 Leroy Street, New York 14, N. Y.

Beard's Erie Basin, Inc., 21 State Street, New York 4, N. Y.

Bowne-Morton's Stores, Inc., 611 Smith Street, Brooklyn, N. Y.

Brooklyn Terminal Stores, Inc., 26–42 North Tenth Street, Brooklyn 11, N. Y.

Bush Terminal Company, 100 Broad Street, Brooklyn, N. Y.

J. Leo Cooke Warehouse Corp., Erie, Twelfth and Provost Street, Jersey City 2, N. J.

J. Leo Cooke Warehouse Corp., 140 Bay Street, Jersey City 2, N. J.

Gardner Warehouse Company, Fifty-ninth Street and Twelfth Avenue, New York, N. Y.

Harborside Warehouse Company, Inc., 34 Exchange Place, Jersey City, N. J.

Hoboken Dock Stores, Inc., foot of Sixth Street, Hoboken, N. J.

Independent Warehouses, Inc., 415 Greenwich Street, New York 13, N. Y.

Johnson Warehouses, Inc., Pier B., E and 1, Jersey City, N. J.

Lehigh Warehouse & Transportation Co., 98–108 Frelinghuysen Avenue, Newark 5, N. J.

Mid-Hudson Warehouse, Inc., 29–51 Pavonia Avenue, Jersey City 2, N. J.

Midtown Warehouse, Inc., 601 West Twenty-sixth Street, New York 1, N. Y.

Municipal Warehouse Company, Inc., 409–411 Bond Street, Brooklyn, N. Y.

New York Dock Company, 44 Whitehall Street, New York, N. Y.

Port Warehouses, Inc., 47 Vestry Street, New York 13, N. Y.

Pouch Terminal, Inc., 17 State Street, New York 4, N. Y.

S. & F. Warehouse, Port Street, Port Newark, N. J.

Shephard Warehouses, Inc., 667 Washington Street, New York 14, N. Y.

Sun Warehouses, Inc., 79–101 Laight Street, New York, N. Y.

Vendors Warehouse & Distribution Service, Inc., foot of Humbolt Avenue, Jersey Central Yards, Elizabethport, N. J.

Essex Warehouse Company, 950 McCarter Highway, Newark, N. J.

Henry I. Stetler, Inc., 84 Bank Street, New York 14, N. Y.

Fidelity Warehouse Company, 286 South Street, New York, N. Y.

Towers Warehouses, Inc., 531–545 West Twenty-first Street, New York, N. Y.

L. & F. Stores, Inc., 15–21 Worth Street, New York 13, N. Y.

(Sec. 708, 64 Stat. 818, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Sup. 2158; E. O. 10200, Jan. 3, 1951, 16 F. R. 61; 3 CFR, 1951 Supp.)

Dated: September 16, 1952.

HENRY H. FOWLER,
Administrator.

[F. R. Doc. 52-10233; Filed, Sept. 16, 1952; 11:50 a. m.]

[DPA Request No. 45—DPAV-42]

REQUEST TO PARTICIPATE IN FORMATION AND ACTIVITIES OF AN ARMY ORDNANCE INTEGRATION COMMITTEE ON 20MM PROJECTILES AND FUZES

Pursuant to section 708 of the Defense Production Act of 1950, as amended, the request set forth below to participate in the formation and activities of an Army Ordnance Integration Committee on 20MM Projectiles and Fuzes in accordance with the voluntary plan entitled "Plan and Regulations of the Ordnance Corps Governing the Integration Committee on 20MM Projectiles and Fuzes," dated February 25, 1952, was approved by the Attorney General after consultations with respect thereto between the Attorney General, the Chairman of the Federal Trade Commission, and the Administrator of the Defense Production Administration, and was accepted by the companies listed below.

The voluntary plan provides for the formation and operation of this 20MM Projectiles and Fuzes Integration Committee and will make available to all the participating companies the production experience and techniques of each. It will also, among other things, integrate the facilities of the participants which will result in the quick attainment of maximum production and the maintenance thereof. This voluntary plan has been approved by the Administrator of the Defense Production Administration and found to be in the public interest as contributing to the national defense.

CONTENTS OF REQUEST

You are requested to participate in the formation and activities of an Integration Committee on 20MM Projectiles and Fuzes in accordance with the voluntary plan entitled "Plan and Regulations of the Ordnance Corps Governing the Integration Committee on 20MM Projectiles and Fuzes," dated February 25, 1952, a copy of which is herewith enclosed.

In my opinion, your participation in the formation and activities of this Committee will assist in the accomplishment of our national defense program.

The Attorney General has approved this request after consultations with respect thereto between his representatives, representatives of the Chairman of the Federal Trade Commission, and my representatives, pursuant to section 708 of the Defense Production Act of 1950, as amended.

I approve the voluntary plan and find it to be in the public interest as contributing to the national defense. You will become a participant therein upon notifying me in writing of your acceptance of this request. Will you kindly send two copies thereof to the Procurement Division, Production Branch, Office of the Assistant Chief of Staff, G-4, United States Army, Pentagon Building, Washington 25, D. C.?

Immunity from prosecution under the Federal antitrust laws and the Federal Trade Commission Act will be given upon such acceptance, provided that the activities of the Integration Committee on 20MM Projectiles and Fuzes, and your participation therein, are within the limits set forth in the voluntary plan.

Your cooperation in this matter will be appreciated.

Sincerely yours,

MANLY FLEISCHMANN,
Administrator.

LIST OF COMPANIES ACCEPTING REQUEST TO PARTICIPATE

Albert Wright Screw Machine Products, 1209 Park Avenue, Emeryville 8, Calif.

Aluminum Industries, Inc., Cincinnati 25, Ohio.

American Safety Razor Corporation, Brooklyn 1, N. Y.

Anderson Brass Works, Inc., P. O. Drawer 2151, Birmingham 1, Ala.

The Defiance Automatic Screw Company, Fort Wayne Road, Defiance, Ohio.

G. M. Co. Manufacturing, Inc., 13–08 Forty-third Avenue, Long Island City 1, N. Y.

Harvey Machine Company, Inc., One Hundred and Ninetieth Street and Western Avenue, Torrance, Calif.

Hechethorn Manufacturing & Supply Company, Littleton, Colo.

Kelly Machine Company, 544 Green Road, Cleveland 21, Ohio.

Knapp-Monarch Company, St. Louis, Mo.

Merco Centrifugal Company, 150 Green Street, San Francisco, Calif.

Chefford Master Manufacturing Company, Inc., Fairfield, Ill.

Chicago Electric Manufacturing Company, 6333 West Sixty-fifth Street, Chicago 38, Ill.

Columbia Electric & Manufacturing Company, P. O. Box 2180, Spokane, Wash.

Northwest Automatic Products Corporation, 1700 Linden Avenue, Minneapolis 3, Minn.

Norwalk Lock Company, 395 Broadway, New York 13, N. Y.

Pantex Manufacturing Corporation, Pawtucket, R. I.

Persons-Majestic Manufacturing Company, 54–72 Commercial Street, Worcester 8, Mass.

Stoner Manufacturing Corporation, Aurora, Ill.

The Yale & Towne Manufacturing Company, Stamford, Conn.

Majestic Manufacturing Company, 4550 Gustine Avenue, St. Louis 16, Mo.

(Sec. 708, 64 Stat. 818, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Sup. 2158; E. O. 10200, Jan. 3, 1951, 16 F. R. 61; 3 CFR, 1951 Supp.)

Dated: September 15, 1952.

HENRY H. FOWLER,
Administrator.

[F. R. Doc. 52-10234; Filed, Sept. 16, 1952; 11:50 a. m.]

FEDERAL TRADE COMMISSION

[File No. 21-445]

COSTUME JEWELRY INDUSTRY

NOTICE OF HOLDING OF TRADE PRACTICE CONFERENCE

Notice is hereby given that a trade practice conference under the auspices of the Federal Trade Commission will be held for the Costume Jewelry Industry in the Commodore Hotel, New York City, on October 9, 1952, commencing at 10 a. m., e. s. t.

All persons, firms and corporations engaged in the production, distribution or marketing of costume jewelry are considered members of the industry and are cordially invited to attend and participate in this industry conference.

NOTE: "Costume jewelry," as here used, includes all jewelry except that containing precious stones or composed of gold or platinum group metals or alloys thereof. Products of silver, and of silver or base metal flashed, coated, or plated with gold or platinum group metals, are considered costume jewelry.

The conference and further proceedings in the matter will be directed toward the eventual establishment and promulgation by the Commission of trade practice rules for the industry under which unfair methods of competition, unfair or deceptive acts or practices, and other trade abuses, may be eliminated and prevented.

Issued: September 12, 1952.

By direction of the Commission.

[SEAL] D. C. DANIEL,
Secretary.

[F. R. Doc. 52-10136; Filed, Sept. 16, 1952; 8:57 a. m.]

RENEGOTIATION BOARD

REGIONAL BOARDS

DELEGATION OF AUTHORITY WITH RESPECT TO CERTAIN FUNCTIONS, POWERS AND DUTIES

The delegation of authority published in the issue of February 13, 1952 (F. R. Doc. 52-1777; 17 F. R. 1401), as heretofore amended, is hereby further amended by deleting section 1 and inserting in lieu thereof the following:

SECTION 1. There are hereby created six Regional Boards which shall consist of five members each, and which are hereby designated as the Boston Regional Renegotiation Board, the Chicago Regional Renegotiation Board, the Detroit Regional Renegotiation Board, the Los Angeles Regional Renegotiation Board, the New York Regional Renegotiation Board and the Washington Regional Renegotiation Board, respectively.

Dated: September 11, 1952.

JOHN T. KOEHLER,
Chairman,
The Renegotiation Board.

[F. R. Doc. 52-10121; Filed, Sept. 16, 1952; 8:52 a. m.]

STATEMENT OF ORGANIZATION

The Statement of Organization published in the issue of February 13, 1952 (F. R. Doc. 52-1774; 17 F. R. 1400), as heretofore amended, is hereby further amended as follows:

1. By inserting the word "Renegotiation" between the word "Regional" and the word "Board" in each of the six numbered paragraphs of the list contained in section 3 (b).

2. By deleting the words "175 Washington Street, Boston 9, Mass, (temporary address)" from paragraph (1) of section 3 (b) and inserting in lieu thereof the words "140 Federal Street, Boston 10, Mass.".

Dated: September 11, 1952.

JOHN T. KOEHLER,
Chairman,
The Renegotiation Board.

[F. R. Doc. 52-10126; Filed, Sept. 16, 1952; 8:53 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-2916]

SOUTHERN NATURAL GAS CO.

ORDER AUTHORIZING PROPOSED NOTE ISSUES

SEPTEMBER 11, 1952.

Southern Natural Gas Company ("Southern"), a registered holding company, having filed with this Commission a declaration, pursuant to sections 6 (a) and 7 of the Public Utility Holding Company Act of 1935 ("act") and Rule U-23 thereunder, in respect of the following proposed transactions:

Southern proposes to issue and sell promissory notes (herein called the "Revolving Credit Notes") pursuant to a revolving credit agreement to be executed between Southern and The Chase National Bank of the City of New York, and certain other banks. The agreement provides that the Participating Banks will severally make loans to Southern at any time and from time to time from the date of the agreement within a period of two years in an aggregate principal amount at any one time outstanding not exceeding $25,000,000, and that during said period Southern may borrow, prepay (as provided in the agreement) and re-borrow thereunder. The Revolving Credit Notes will bear interest from their respective dates until September 15, 1953, at the rate of 3 percent per annum, and thereafter until their maturity on September 15, 1954 at the rate of 3¼ percent per annum. Southern agrees to pay a commitment fee computed from the date of the order of the Commission permitting this declaration to become effective, or September 15, 1952, whichever is earlier, at the rate of ¼ percent per annum on the daily average unused amount of the commitments. Southern has the right to prepay all, or from time to time any, of the Revolving Credit Notes, in whole or in part, upon payment of accrued interest and, if prepayment is made directly or indirectly from the proceeds, or in anticipation, of any bank borrowing otherwise than under the agreement, Southern will pay a premium at the rate of ¼ percent per annum. Southern has the right at any time or from time to time to reduce or terminate the commitments.

The proceeds of the Revolving Credit Notes will be applied to the cost of construction of additions to Southern's system proposed to be completed during 1952 and 1953. Southern expects to provide subsequent permanent financing of its 1952 and 1953 construction program by the issue of first mortgage bonds and by the issue of additional common stock or other securities of Southern, or by the sale of the stocks of Southern's subsidiaries, Alabama Gas Corporation and Mississippi Gas Company. Southern would expect to sell additional first mortgage bonds sometime during the first six months of 1953 in the amount permissible at the time under Southern's first mortgage, and would expect to provide for other permanent financing by the sale of additional first mortgage bonds or other securities in such amounts as may be appropriate at the time.

Southern requests that the Commission's Order herein become effective forthwith upon issuance.

Notice of the filing of the declaration having been given in the manner and form provided by Rule U-23 of the rules and regulations promulgated under the act, and a hearing not having been requested or ordered by the Commission within the time specified in said notice; and the Commission finding that the applicable provisions of the act and the rules and regulations promulgated thereunder are satisfied, and deeming it appropriate in the public interest and in the interest of investors and consumers that said declaration be permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said declaration be, and hereby is, permitted to become effective, subject to the terms and conditions prescribed in Rule U-24, and that this order shall become effective upon its issuance.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 52-10106; Filed, Sept. 16, 1952; 8:49 a. m.]

[File No. 70-2927]

UNITED GAS CORP.

NOTICE OF FILING AND SALE OF DEBENTURES AND RELATED TRANSACTIONS

SEPTEMBER 11, 1952.

Notice is hereby given that United Gas Corporation ("United"), a gas utility subsidiary of Electric Bond and Share Company, a registered holding company, and United's two wholly owned subsidiaries, United Gas Pipe Line Company ("Pipe Line") and Union Producing Company ("Union"), have filed an application-declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935, and have designated sections 6 (a), 7, 9 (a), 10 and 12 thereof and Rule U-50 thereunder as applicable to the proposed transactions which are summarized as follows:

United proposes to issue and sell at competitive bidding pursuant to Rule U-50, $60,000,000 principal amount of ------ Sinking Fund Debentures, due 1972, to be issued under a debenture agreement dated as of October 1, 1952 with Irving Trust Company as Trustee. The proposed sinking fund is designed to retire 70 percent of the issue prior to maturity.

United proposes to use the proceeds from the sale of the debentures, as follows:

(a) To prepay $40,000,000 principal amount of bank loans presently outstanding, evidenced by United's outstanding promissory notes due December 31, 1952 and July 1, 1953.

(b) To acquire from Pipe Line for $10,000,000 cash, 10,000 shares of Pipe Line's no par value common stock, which Pipe Line proposes to sell and United proposes to purchase.

(c) To acquire from Pipe Line for cash at par plus accrued interest an aggregate of $5,000,000 principal amount of Pipe Line's 4½ percent Sinking Fund Debentures, due 1971, which Pipe Line proposes to sell and United proposes to purchase.

(d) To lend Union $1,000,000, such loan to be evidenced by Union's 4 percent promissory note in like principal amount, maturing on or before six years from the date of issue.

Of the securities to be acquired by United from its subsidiaries, the common stock of Pipe Line and the promissory note of Union will be pledged with the corporate trustee under United's Deed of Trust pursuant to the provisions of that indenture. The debentures of Pipe Line to be acquired by United will be retained in the portfolio of United, and pursuant to the provisions of the indenture, will recite that such security is non-transferable except to a successor of United.

The proceeds from the sales of securities described above are to be used to defray the costs in part of the construction program of United and Pipe Line which, for the years 1951, 1952, and 1953, is estimated to require the expenditure of $245,328,000. The application-declaration states that at June 30, 1952, United and Pipe Line had expended for this purpose $158,664,000 and the completion of the program of these two companies is estimated to require the expenditure of an additional amount of $86,664,000.

The application-declaration further states that in addition to the sales of securities described above, United contemplates the sale of securities in the year 1953 designed to raise approximately $50,000,000, which securities will consist of additional debentures and common stock in amounts not now determined.

Notice is further given that any interested person may, not later than September 24, 1952, at 5:30 p. m., e. d. s. t. request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, raised by the said joint application-declaration which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after September 24, 1952, said joint application-declaration, as filed or as amended, may be granted and permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 (a) and Rule U-100 thereof. All interested persons are referred to said joint application-declaration which is on file in the offices of this Commission for a statement of the transactions therein proposed.

By the Commission.

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

[F. R. Doc. 52-10107; Filed, Sept. 16, 1952; 8:49 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 27384]

LIME FROM TEXAS TO CHICAGO AND JOLIET, ILL., AND MILWAUKEE, WIS.

APPLICATION FOR RELIEF

SEPTEMBER 12, 1952.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to his tariff I. C. C. No. 3967.

Commodities involved: Lime, carloads.

From: Points in Texas.

To: Chicago and Joliet, Ill., and Milwaukee, Wis.

Grounds for relief: Rail competition, circuity, and to apply rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, I. C. C. No. 3967, Supp. 155.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] GEORGE W. LAIRD, *Acting Secretary.*

[F. R. Doc. 52-10114; Filed, Sept. 16, 1952; 8:50 a. m.]

[4th Sec. Application 27385]

ACETIC ACID AND ANHYDRIDE FROM POINTS IN TEXAS AND CROSSETT, ARK., TO MISSISSIPPI RIVER CROSSINGS AND SOUTHERN AND OFFICIAL TERRITORIES

APPLICATION FOR RELIEF

SEPTEMBER 12, 1952.

The Commission is in receipt of the above entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to his tariffs I. C. C. Nos. 3894, 3908, and 3967.

Commodities involved: Acetic acid, glacial or liquid, and acetic anhydride, in bulk, in drums or barrels, carloads.

From: Bishop, Houston, Texas City, and Brownsville, Tex., and Crossett, Ark.

To: Mississippi River crossings and points in southern and official territories.

Grounds for relief: Rail and market competition, circuity, and to apply rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, I. C. C. No. 3894, Supp. 126. F. C. Kratzmeir, Agent, I. C. C. No. 3908, Supp. 116. F. C. Kratzmeir, Agent, I. C. C. No. 3967, Supp. 156.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] GEORGE W. LAIRD, *Acting Secretary.*

[F. R. Doc. 52-10115; Filed, Sept. 16, 1952; 8:51 a. m.]

[4th Sec. Application 27386]

COMMODITY RATES BETWEEN COILTOWN, KY., AND POINTS IN UNITED STATES AND CANADA

APPLICATION FOR RELIEF

SEPTEMBER 12, 1952.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for carriers parties to Consolidated Freight Classification No. 20, Alternate Agent A. H. Carson's I. C. C. No. 109.

Involving: Commodity rates.

Between: Coiltown, Ky., and points in the United States and Canada.

Grounds for relief: Rail competition, circuitous routes, to maintain grouping, and new freight station.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose

their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 52-10116; Filed, Sept. 16, 1952; 8:51 a. m.]

[4th Sec. Application 27387]

CLAY BETWEEN POINTS IN SOUTHERN TERRITORY

APPLICATION FOR RELIEF

SEPTEMBER 12, 1952.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for carriers parties to Agent C. A. Spaninger's tariff I. C. C. No. 809.

Commodities involved: Clay, carloads.

From: Points in Alabama, Florida, Georgia, North Carolina, and South Carolina.

To: Points in southern territory, including Ohio River crossings and northern Virginia.

Grounds for relief: Rail competition, circuity, to maintain grouping, and to apply rates constructed on the basis of the short line distance formula.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 52-10117; Filed, Sept. 16, 1952; 8:51 a. m.]

[4th Sec. Application 27388]

ACETIC ACID AND ANHYDRIDE FROM BISHOP, HOUSTON, AND TEXAS CITY, TEX., TO POINTS IN MARYLAND, VIRGINIA, WEST VIRGINIA, AND OHIO

APPLICATION FOR RELIEF

SEPTEMBER 12, 1952.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to his tariff I. C. C. No. 3967.

Commodities involved: Acetic acid, glacial or liquid, and acetic anhydride, in tank-car loads.

From: Bishop, Houston, and Texas City, Tex.

To: Points in Maryland, Virginia, West Virginia, and Ohio.

Grounds for relief: Competition with rail carriers and circuitous routes.

Schedules filed containing proposed rates; F. C. Kratzmeir, Agent, I. C. C. No. 3967, Supp. 156.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 52-10118; Filed, Sept. 16, 1952; 8:51 a. m.]